

Accreditation Master Agreement

**Between the Green Climate Fund and
Inter-American Investment Corporation**

30 June 2021



GCF
ACCREDITATION
MASTER AGREEMENT
between
INTER-AMERICAN INVESTMENT CORPORATION
and
GREEN CLIMATE FUND

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This ACCREDITATION MASTER AGREEMENT (the "Agreement") is entered into on 6/30/2021 2021 between

The **INTER-AMERICAN INVESTMENT CORPORATION**, a public international organization, established pursuant to the Agreement Establishing the Inter-American Investment Corporation of 19 November 1984 and having its registered office at 1350 New York Avenue, NW, Washington DC, 20577, United States of America, represented by James P. Scriven, General Manager and which has received Accreditation (as defined below) (the "Accredited Entity"); and

The **GREEN CLIMATE FUND**, designated as an operating entity of the financial mechanism under Article 11 of the United Nations Framework Convention on Climate Change and established pursuant to the Governing Instrument (as defined below) possessing juridical personality in order to operate effectively internationally, having such legal capacity as is necessary for the exercise of its functions and the protection of its interests and having its headquarters at Songdo, Incheon, Republic of Korea ("GCF" or the "Fund"),

each a "Party" and together the "Parties".

WHEREAS

- (A) The Accredited Entity has been accredited by the Board (as defined below) pursuant to paragraph 45 of the Governing Instrument, subject to and in accordance with the assessment of the Accreditation Panel;
- (B) The Board has endorsed that the Fund shall enter into agreements with accredited entities; and
- (C) The Board has authorized the Executive Director – or his/her designee – on behalf of the Fund to negotiate and agree on the terms and conditions of such agreements with accredited entities, reflecting the scope of the accreditation, and to enter into such agreements;

THE PARTIES HEREBY AGREE AS FOLLOWS:

Clause 1 Definitions and Interpretations

1.01 In this Agreement:

"Accountability Units" means the Independent Evaluation Unit, the Independent Integrity Unit and the Independent Redress Mechanism;

"Accreditation" means the Decision, accrediting an entity, pursuant to paragraph 45 of the Governing Instrument, and subject to, and in accordance with, the assessment by the Accreditation Panel, and the terms "Accredit" and "Accredited" will have a commensurate meaning. For the Accredited Entity, the Decision is B.21/16;

"Accreditation Panel" means the independent technical panel established by the Board pursuant to Decision B.07/02 to advise it on matters relating to the Accreditation of entities by the Board;

"Accredited Entity Fee" means a fee payable to the Accredited Entity in accordance with Clause 12, to cover the Accredited Entity's costs in respect to services performed by the Accredited Entity in connection with Funded Activities. For the avoidance of doubts, the

Accredited Entity Fee is not part of the GCF Proceeds, and shall be paid by the Fund to the Accredited Entity separately of the GCF Proceeds;

“Affiliate” means in relation to any Party, any entity that directly or indirectly: (i) is controlled by the Party; (ii) controls the Party; or (iii) is under common control with the Party. For this purpose, “control” of an entity or Party means ownership of a majority of the voting power of the entity or Party, or as otherwise agreed by the Parties and set out in the relevant FAA;

“Agreement” means this GCF Accreditation Master Agreement between the Fund and the Accredited Entity;

“AML/CFT” means anti-money laundering and countering the financing of terrorism;

“AML/CFT Policy” means the Fund’s Anti-Money Laundering and Countering the Financing of Terrorism Policy adopted in Decision B.18/10;

“APR” means an annual performance report;

“Arbitration Rules” means the arbitration rules of the arbitral body or organization specified in Clause 29.03 of this Agreement in force as at the date of this Agreement;

“Board” means the board of the Fund established pursuant to the provisions of the Governing Instrument;

“Concept Note” means a concept note prepared and submitted to the Fund by the Accredited Entity for a potential Funded Activity;

“Confidential Information” means information, however recorded or preserved, disclosed by a Party to the other Party in the context of or in relation to this Agreement or any FAA, which is described and/or marked as “confidential” at the time of disclosure;

“Convention” means the United Nations Framework Convention on Climate Change;

“COP” means the conference of the parties to the Convention;

“Date of Accreditation” means the date the Board Accredits the Accredited Entity;

“Decision” means a decision of the Board;

“Disbursement Schedule” means the disbursement schedule as set out in an FAA;

“Environmental and Social Policy” means the Fund’s environmental and social policy adopted in Decision B.19/10;

“Environmental and Social Risk Categories” means the categories and levels of intermediation specified in the Framework for Accreditation Process;

“Environmental and Social Standards” or “ESS” means the interim environmental and social safeguards of the Fund as set out in Annex III to Decision B.07/02;

“Euro” and “EUR” each means the lawful currency of the Euro Zone;

“Euro Zone” means the economic and monetary union of member states of the European Union that adopt the single currency in accordance with the treaty of Maastricht establishing the European Community, as amended by the treaty of Lisbon on the functioning of the European Union;

“Executing Entity” means any entity through which GCF Proceeds are channelled or used for the purposes of a Funded Activity or part thereof, and/or any entity that executes, carries out or implements a Funded Activity, or any part thereof. For the avoidance of doubt, the Accredited Entity may also carry out the functions of an Executing Entity;

“Executive Director” means the head of the Secretariat appointed by the Board from time to time;

“Expert” means an expert or consultant providing services under contractual arrangements with the Fund, including the Accountability Units;

“Fiduciary Principles and Standards” means the initial fiduciary principles and standards of the Fund as set out in Annex II to Decision B.07/02;

“Focal Point” means the individual or authority designated by a developing country party to the Convention to fulfil all functions of an NDA on a temporary basis, until it has designated an NDA;

“Force Majeure” means any act of God (such as earthquakes, floods, fire, plague or other natural disasters), war (whether declared or not), invasion, revolution, insurrection, riot or civil disturbances, strikes or other labour conflicts, martial law or state of siege, (attempted) overthrow of government, acts of terrorism, or other acts or events of a similar nature or force, to the extent that they constitute (i) an unforeseeable exceptional situation or event; (ii) beyond the Parties’ control; (iii) which prevents either of the Parties from fulfilling any of their obligations under this Agreement or under an FAA for a Funded Activity;

“Framework for Accreditation Process” means the Fund’s initial guiding framework for its accreditation process, adopted in Decision B.07/02 and contained in Annex I to that Decision, and in Decision B.08/02 and contained in Annex I to that Decision;

“Fund Agent” means a representative of the Fund who is subject to the rights and obligations of the Fund under this Agreement;

“Funded Activity” means, unless otherwise specified in the FAA applicable to that Funded Activity, a GCF Project and/or a GCF Programme or part thereof;

“Funded Activity Agreement” or “FAA” means any agreement relating to a Funded Activity entered into by the Parties pursuant to Clause 6.02 of this Agreement and that meets the requirements of Clause 6.04 of this Agreement;

“Funding Proposal” means the proposal, including any annexes thereto, in a form as may be prescribed by the Fund, referred to in Clause 4.01 of this Agreement, requesting funding (whether in the form of grants, loans or otherwise) for a project, programme activity or investment;

“GCF Account” means the trust fund or trust funds to be established by the Accredited Entity to, as applicable, record, receive, hold in trust and administer GCF Proceeds and Other GCF Funds that are separate from the Accredited Entity’s own funds;

“GCF Fiscal Year” means 1 January through 31 December of each calendar year;

“GCF Holding Currency” means USD, JPY, EUR or GBP, or such other currency as designated by the Fund from time to time;

“GCF Proceeds” means funds transferred, provided or disbursed by the Fund via the Trustee or via an account designated by the Fund, in connection with a Funded Activity

pursuant to this Agreement or in accordance with the terms and conditions of an FAA, which for the purposes of this Agreement shall not include any fees payable to the Accredited Entity pursuant to Clause 12;

“GCF Programme” means a programme comprising several projects, activities and/or investments for which a Funding Proposal has been approved by the Board;

“GCF Project” means a project, activity or investment for which a Funding Proposal has been approved by the Board;

“Gender Policy” means the Fund’s gender policy and gender action plan adopted in Decision B.09/11;

“Goods” means goods, equipment and materials to be financed from GCF Proceeds, but excluding Services;

“Governing Instrument” means the instrument entitled ‘Governing Instrument for the Green Climate Fund’, that was approved by the COP at its seventeenth session on 11 December 2011 and is annexed to Decision 3/CP.17;

“Host Country” means the country or countries in which a Funded Activity is to be, is being, or has been, implemented pursuant to any FAA;

“Independent Evaluation Unit” means the operationally independent evaluation unit established by the Board pursuant to paragraph 60 of the Governing Instrument;

“Independent Integrity Unit” means the independent integrity unit established by the Board pursuant to paragraph 68 of the Governing Instrument;

“Independent Redress Mechanism” means the independent redress mechanism established by the Board pursuant to paragraph 69 of the Governing Instrument;

“Indigenous Peoples Policy” means the Fund’s indigenous peoples policy adopted in Decision B.19/11;

“Information Disclosure Policy” means the information disclosure policy of the Fund adopted in Decision B.12/35;

“Investment Framework” means the initial investment framework of the Fund adopted in Decisions B.07/06 and B.09/05;

“Investment Income” means any income, interest or gains earned or losses incurred on the undisbursed balance of GCF Proceeds held in the GCF Account;

“Japanese Yen” and “JPY” each means the lawful currency of Japan;

“Large-sized Activity” means a project, activity within a programme or investment where the total projected costs as agreed by the Parties at the time of submission of the Funding Proposal to the Board are above USD 250 million (or the equivalent amount thereto measured in any other GCF Holding Currency) or such other amount as may be subsequently specified in a Decision for such sized activity;

“Major Change” means any event or proposed modification that, in the opinion of the Fund, will involve a major change in, or a restructuring of, a Funded Activity’s scope, structure, design, or objectives, including a reallocation of GCF Proceeds beyond the threshold set out in the relevant FAA affecting the Funded Activity’s scope or objectives, or any other change that substantially alters the purpose or benefit of the Funded Activity,

in each case, as described in the relevant FAA (or the relevant Funding Proposal approved by the Board prior to FAA execution);

“Medium-sized Activity” means a project, activity within a programme or investment where the total projected costs as agreed by the Parties at the time of submission of the Funding Proposal to the Board are above USD 50 million and up to and including USD 250 million (or the equivalent amount thereto measured in any other GCF Holding Currency) or such other amounts as may be subsequently specified in a Decision for such sized activity;

“Micro-sized Activity” means a project, activity within a programme or investment where the total projected costs as agreed by the Parties at the time of submission of the Funding Proposal to the Board are up to and including USD 10 million (or the equivalent amount thereto measured in any other GCF Holding Currency) or such other amounts as may be subsequently specified in a Decision for such sized activity;

“Monitoring and Accountability Framework” means the initial monitoring and accountability framework adopted by the Board in Decision B.11/10;

“NDA” means the authority designated by a developing country party to the Convention pursuant to paragraph 46 of the Governing Instrument;

“No-Objection Letter” means a letter from an NDA or, if applicable, a Focal Point, signed by its Official Representative, confirming that it has no objection to a Funding Proposal proposed by an Accredited Entity in its country;

“No-Objection Procedure” means the initial ‘no-objection procedure’ for Funding Proposals, as approved in Decision B.08/10;

“Official Representative” means the official representative of an NDA or, if applicable, Focal Point, details of whom are registered with the Fund;

“Other GCF Funds” means Investment Income and Reflowed Funds;

“PCA” means the Permanent Court of Arbitration in The Hague, the Netherlands;

“Policy on Prohibited Practices” means the policy on prohibited practices of the Fund adopted by the Board in Decision B.22/19;

“Pound Sterling” and “GBP” each means the official currency of the United Kingdom;

“Prohibited Practices” means the prohibited practices set forth in the Policy on Prohibited Practices;

“Project and Programme Activity Cycle” means the updated proposal approval process adopted in Decision B.17/09, including Annex IV to that Decision;

“Reflowed Funds” means any funds reflowed to the Accredited Entity or directly to the Fund via the Trustee (or such other entity or account as the Fund may designate), as the case may be, which were originally distributed by or through the Accredited Entity from GCF Proceeds including, but not limited to, reimbursement or repayment, payments of principal, interest, dividends and fees, as appropriate, but excluding any Unused Funds with respect to a Funded Activity;

“Reporting Period” means the period from the effectiveness of the FAA until the date of delivery or the final evaluation report for such Funded Activity, excluding any post-implementation monitoring period, unless otherwise specified in the relevant FAA;

“Request for Disbursement” means a written request submitted by the Accredited Entity to the Fund for the transfer of funds to the Accredited Entity for Funded Activities and for the transfer of Accredited Entity Fees, the form of which is attached as Annex 6 (Request for Disbursement);

“Results Management Framework” means the initial results management framework of the Fund adopted in Decisions B.07/04 and B.08/07;

“Secretariat” means the Secretariat of the Fund established by the Fund pursuant to paragraph 19 of the Governing Instrument;

“Services” means the services to be financed from GCF Proceeds;

“Small-sized Activity” means a project, activity within a programme or investment where the total projected costs as agreed by the Parties at the time of submission of the Funding Proposal to the Board are above USD 10 million and up to and including USD 50 million (or the equivalent amount thereto measured in any other GCF Holding Currency), or such other amounts as may be subsequently specified in a Decision for such sized activity;

“Staff” means all the staff of the Fund, including the Executive Director and the staff of any subsidiary body or facility established by the Fund, irrespective of their nationality, with the exception of the persons recruited locally and assigned to hourly rates of pay;

“Staff of the Accredited Entity” means all staff members, officers, agents, contractual employees, and members of the Board of Executive Directors of the Accredited Entity who hold appointments under applicable staff rules and policies;

“Stakeholder Engagement Best Practices” means the best-practice options for country co-ordination and multi-stakeholder engagement, endorsed in Decision B.08/10 and set out in Annex XIV to that Decision;

“Standards” means together, the Fiduciary Principles and Standards, the Environmental and Social Standards and the Gender Policy;

“Subsidiary Agreement” means any agreement entered into by the Accredited Entity, in its capacity as Accredited Entity and administrator of the GCF Proceeds, on the basis of or in connection with this Agreement, unless expressly agreed otherwise in an FAA, with an Executing Entity (that is not the Accredited Entity);

“TAP” means the independent technical advisory panel established by the Board;

“Term Sheet” means a document setting out, in summary form, the key terms and conditions specific to and relating to a Funding Proposal agreed by the Parties pursuant to Clause 6.01 of this Agreement, an indicative form of which is attached as Annex 1 (Term Sheet);

“Trustee” means the International Bank for Reconstruction and Development serving as the trustee of the Trust Fund and any replacement or successor entity, serving as the trustee of the Trust Fund assets;

“Trust Fund” means the Green Climate Fund Trust Fund administered by the Trustee;

“UNCITRAL” means the United Nations Commission on International Trade Law;

“Unused Funds” means any undisbursed or unused funds from the GCF Proceeds for a Funded Activity, for which no further disbursements, liabilities or costs are due to be

made or paid by the Accredited Entity (or any other entity involved in the relevant Funded Activity);

“Updated Gender Policy” means the Fund’s updated gender policy adopted in Decision B.24/12, as contained in Annex XXIII to that Decision;

“US Dollars” and “USD” each means the lawful currency of the United States of America; and

“Works” means construction, repair, rehabilitation, demolition, restoration, maintenance of civil work structures to be financed with GCF Proceeds.

- 1.02 The Parties acknowledge that this Agreement sets out the general terms and conditions applicable between them for the Accredited Entity’s role as accredited entity. This Agreement shall apply to all Funded Activities, save as supplemented or amended, as the case may be, by the specific terms of any FAA entered into by the Parties in relation to a specific Funded Activity, which shall prevail for that specific Funded Activity. As such, any derogation, deviation or modification of this Agreement that is provided for in an FAA shall be justified by the specific requirements of the respective Funded Activity, will only apply with respect to the Funded Activity to which such FAA relates and shall have no application or effect in relation to any other FAA entered into with respect to another Funded Activity. Amendments to this Agreement may only be made pursuant to Clause 32.11.
- 1.03 In the event of any inconsistency or conflict between this Agreement and an FAA for a specific Funded Activity, the terms of the FAA shall prevail for the purposes of that Funded Activity.
- 1.04 References to the Fund’s Standards, rules, policies, principles, procedures and frameworks include, subject to Clause 32.05 where applicable, such Standards, rules, policies, principles, procedures and frameworks as amended and updated from time to time, or any successor document thereto.
- 1.05 The headings contained in this Agreement and the Table of Contents are for reference only and shall not be taken into consideration in interpreting this Agreement.
- 1.06 References to singular may include plural and vice versa, and a reference to any gender includes any other gender.
- 1.07 For the avoidance of doubt, the Fund includes the Accountability Units.
- 1.08 Any reference to “Clause” and “Annex” is to the Clause of, and Annex to, this Agreement, unless context requires otherwise.

Clause 2 Effective Date and Conditions Precedent to Agreement

- 2.01 Except as the Fund and the Accredited Entity may otherwise agree, this Agreement shall be effective from the date upon which the Fund dispatches to the Accredited Entity a notice of its acceptance of the evidence required by Clause 2.02 below.
- 2.02 Unless otherwise specified in writing by the Fund, this Agreement shall not become effective until the following evidence, in form and substance satisfactory to the Fund, has been provided:
- (a) an executed copy of this Agreement; and

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- (b) a certificate in accordance with the policies and procedures of the Accredited Entity, in form and substance satisfactory to the Fund, which has been signed by a senior legal officer of the Accredited Entity, who shall be qualified in at least one jurisdiction, in the form attached as Annex 7 (*Certificate*), and confirming that the Agreement entered into by the Accredited Entity has been duly authorized or ratified by all necessary corporate actions, duly executed and delivered on behalf of the Accredited Entity.

Clause 3 Conditions Precedent to Disbursement

- 3.01 The Accredited Entity acknowledges that in accordance with the relevant Decision Accrediting it, the Fund may not disburse any funds to it for a Funded Activity, until it has satisfied the conditions, if any, set forth in the relevant FAA including, if and to the extent that these are replicated in the relevant FAA, and the conditions set forth in Annex 2 (*Conditions*) of this Agreement.

Clause 4 Project/Programme Pipeline and Funding Proposals

- 4.01 The Accredited Entity may submit Funding Proposals for projects, programme activities or investments to the Fund, either:
- (a) in response to a call for Funding Proposals published by the Fund on its website; and/or
 - (b) of its own volition, in all instances in accordance with the provisions of this Clause 4, the Project and Programme Activity Cycle, and any other steps or actions as may be prescribed by the Fund from time to time, provided that the Fund gives the Accredited Entity reasonable advance notice of any such steps or actions.
- 4.02 Prior to the submission of a Concept Note, if applicable, but in any event in a timely manner and no later than the submission of the Funding Proposal so as to comply with the submission of the No-Objection Letter in accordance with Clause 4.12 and the No-Objection Procedure, the Accredited Entity shall:
- (a) inform the NDA or, if applicable, the Focal Point about the proposed activity to be implemented in their country and commence consultations; and
 - (b) inform the Fund that it has commenced consultations with the NDA or, if applicable, the Focal Point.

Submission and Consideration of Concept Note (where applicable)

- 4.03 Prior to submission of a Funding Proposal, the Accredited Entity may submit a Concept Note to the Fund in accordance with such procedures as may be prescribed by the Fund from time to time.

Preparation of Funding Proposal

- 4.04 The Accredited Entity shall prepare each Funding Proposal in accordance with its own policies and procedures, and consistent with the requirements set forth in the Investment Framework, the Results Management Framework and any other applicable Decisions all without prejudice to Clause 32.05.

4.05 In preparing each Funding Proposal, the Accredited Entity shall:

- (a) comply, and, as the case may be:
 - (i) contractually require the Executing Entity in the Subsidiary Agreement to comply and to oblige compliance by all other persons and entities involved if and when a Subsidiary Agreement is entered into with the Executing Entity; or
 - (ii) include in the Subsidiary Agreement, if it is entered into after the Funding Proposal has been submitted to the Fund, a warranty by the Executing Entity whereby it warrants, and covenants to include in the agreements it may enter into with any third parties a warranty by such third parties that in developing the project, programme or investment referred to in the Funding Proposal, before entering into the Subsidiary Agreement or other relevant agreement, they have complied,
 - (A) with any applicable fraud, corruption, AML/CFT, “know your customer” and anti-bribery laws and regulations, as applicable to them, in accordance with the Accredited Entity’s own policies and procedures in relation to the proposed Funded Activity;
- (b) as the Fund will rely on such due diligence, carry out all appropriate due diligence in accordance with its own policies and procedures; and
- (c) upon reasonable request by the Fund, after consultation, provide all relevant information, including reports, assessment, and other documentation solely related to the Funding Proposal relating to its obligations under Clauses 4.05(a) to 4.05(b) above and allow the Fund, after reasonable written notice to the Accredited Entity, to speak to the Staff of the Accredited Entity directly involved in the preparation of the relevant Funding Proposal through coordination arrangements established within the Accredited Entity and within the limits of the Accredited Entity’s applicable policies and procedures. The Accredited Entity will endeavour, as appropriate, to facilitate discussions between the Fund and any technical experts with regard to the relevant Funding Proposal in consultation with the Staff of the Accredited Entity and the Executing Entity.

Country Ownership and Stakeholders Input

- 4.06 When developing Funding Proposals, the Accredited Entity shall ensure that the Executing Entity, in collaboration with the relevant Host Country authorities, will have a process for multi-stakeholder engagement in accordance with the Accredited Entity’s own policies and procedures.
- 4.07 The Accredited Entity will endeavour to foster country ownership in a manner as set out in this Agreement.
- 4.08 The Accredited Entity will inform the Fund about material developments relating to the Funding Proposal in the context of Clause 4.06.
- 4.09 The Accredited Entity will consider the Stakeholder Engagement Best Practices as part of its preparation of any Funding Proposal, particularly the role of the NDA or, if applicable, the Focal Point.

Environmental and Social Risk Categories

- 4.10 The Accredited Entity will only submit Funding Proposals for proposed Funded Activities that fall within the Environmental and Social Risk Categories for which it has been Accredited as set out in Annex 4 (*Accreditation for Environmental and Social Safeguards*), or for proposed Funded Activities which are in a lower risk category.

Size of Projects

- 4.11 The Accredited Entity will only submit Funding Proposals up to the size of proposed Funded Activities for which it has been Accredited, as set out in Annex 5 (*Accreditation for Size of Project*), or for proposed Funded Activities that are smaller.

Submission of Funding Proposal

- 4.12 The Accredited Entity shall submit any Funding Proposal to the Fund, together with relevant and available supporting documentation as referred to therein, as well as upon request, reflecting the due diligence conducted pursuant to Clauses 4.04 and 4.05 above (or such additional or further due diligence that it may itself carry out), and the Fund may in turn provide the Accredited Entity with comments or request clarification in relation to the Funding Proposal and/or the due diligence. The Accredited Entity acknowledges that such Funding Proposal will be processed by the Fund in accordance with the No-Objection Procedure and the Project and Programme Activity Cycle, which may include an independent assessment by the TAP.

- 4.13 In particular, the Accredited Entity acknowledges that, in accordance with the No-Objection Procedure:

- (a) the Fund will acknowledge receipt of a No-Objection Letter received from the NDA or, if applicable, the Focal Point to the Accredited Entity;
- (b) in the event that a Funding Proposal
 - (i) for a GCF Project, is not accompanied by a No-Objection Letter from the relevant Host Country; or
 - (ii) for a GCF Programme, is not accompanied by a No-Objection Letter from the Host Country, or Host Countries, as the case may be, in which it is envisaged that the first project activities and/or investments will take place,

the Fund will inform the relevant NDA(s) or, if applicable, the Focal Point(s) and the Accredited Entity, that the Funding Proposal will not be considered by the Board until the Fund receives the No-Objection Letter(s) and the Fund will notify the Accredited Entity of such communication;

- (c) in the event that the relevant No-Objection Letter is not received by the Fund within thirty (30) days of its request to the NDA or, if applicable, the Focal Point, the consideration of the Funding Proposal will be suspended and the Fund will notify the Accredited Entity of this suspension;
- (d) if the No-Objection Letter is received by the Fund after the thirty (30) day period mentioned in Clause 4.13(c) above, (i) the Fund will, at its discretion, determine whether it will review the suspended Funding Proposal, or whether it will require the Funding Proposal to be submitted again; and (ii) the Accredited Entity will, at its discretion, determine whether it will withdraw the Funding Proposal; and

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- (e) in relation to a GCF Programme for which a Funding Proposal has been approved, No-Objection Letters for each additional Host Country in which a project activity and/or investment will take place must be received by the Fund prior to any project activity and/or investment under such GCF Programme taking place in such Host Country.
- 4.14 The Accredited Entity will obtain the appropriate level of internal approval as may be suitable for the type of project or programme concerned, prior to submitting a Funding Proposal to the Fund, in accordance with its own policies and procedures.
- 4.15 The Fund will, while the Accredited Entity acknowledges that the TAP operates independently, use its best efforts to allow the Accredited Entity to:
- (a) obtain a copy of the Secretariat's and the TAP assessments substantially in the form for publication, with sufficient time for the Accredited Entity to review, prior to their publication and submission to the Board, in case the Fund decided to make these assessments public; and
- (b) submit comments, clarifications and/or corrections for publication in unedited form, together with the Secretariat's and TAP assessments.
- 4.16 Notwithstanding any provisions in this Agreement to the contrary, the Accredited Entity reserves the right to withdraw a Funding Proposal at any time. Withdrawing a Funding Proposal shall render any information related to such Funding Proposal confidential and shall prevent any publication of such information after the date the Funding Proposal is withdrawn by the Accredited Entity.

Indigenous Peoples Policy, Environmental and Social Policy, and Updated Gender Policy

- 4.17 The Funding Proposals submitted by the Accredited Entity will be reviewed and assessed by the Fund in accordance with the requirements under the Indigenous Peoples Policy, the Environmental and Social Policy, and the principles and requirements under the Updated Gender Policy.
- 4.18 Notwithstanding Clause 4.14, if, having taken all reasonable efforts, the Accredited Entity has not satisfied the requirements of Clause 4.15(b):
- (a) the Fund may, in its sole discretion, agree to accept the relevant Funding Proposal for submission and consideration by the Board;
- (b) the Board may, in its sole discretion, decide to conditionally approve the Funding Proposal, whereby such approval shall only become effective upon the Accredited Entity obtaining all final internal approvals needed by it, as provided for in Clause 4.22, within the number of days specified by the Board in such approval, provided that such period shall not exceed one hundred and twenty (120) days; and
- (c) if a Board approval is given under Clause 4.16 and the Accredited Entity subsequently fails to satisfy the conditions for effectiveness of such approval within the period determined by the Board pursuant to Clause 4.16, the Board approval shall be deemed not to be effective and the relevant Funding Proposal shall not have been approved.

Decision of the Board

- 4.19 After the Secretariat has received and analysed the Funding Proposal (including the relevant No-Objection Letter), it may submit the Funding Proposal to the Board in accordance with the Project and Programme Activity Cycle and any other relevant Fund policies and procedures. If the Fund decides not to submit the Funding Proposal to the Board, it will notify the Accredited Entity as early as possible and provide an appropriate explanation.
- 4.20 Upon receipt and consideration of a Funding Proposal, the Board may take a Decision to:
- (a) approve the Funding Proposal;
 - (b) provide an approval that is conditional on modifications to project or programme design or subject to the availability of funding; or
 - (c) reject the Funding Proposal.
- 4.21 The Fund will record the Decision on the Funding Proposal and communicate it to the Accredited Entity and the relevant NDA or, if applicable, the Focal Point. If, pursuant to Clause 4.20(b) above, the Funding Proposal was approved by the Board subject to certain modifications being made thereto, the Parties will work in good faith to address such modifications. If the Accredited Entity considers such modifications to be unfeasible, it will inform the Secretariat accordingly. If the Accredited Entity is willing and able to satisfy the modifications, it shall provide evidence as the Fund may reasonably request, and the Fund shall notify the Accredited Entity when it has made the determination that all conditions imposed by the relevant Decision have been satisfied.
- 4.22 Unless otherwise specified in the Funding Proposal, the Accredited Entity shall obtain all final internal approvals needed by it and provide a letter in the form attached as Annex 8 (*Letter*), confirming that all final internal approvals have been obtained and that the Accredited Entity has the capacity and authority to administer the GCF Proceeds and Other GCF Funds and comply with its obligations under this Agreement in respect of the proposed Funded Activity, within the number of days approved by the Board in such approval, provided that such period shall not be less than one hundred and twenty (120) days. In case the Board approval of a Funding Proposal is conditional on substantial modification of the Funding Proposal, in accordance with Clause 4.20(b), the Accredited Entity shall have a period of two hundred and ten (210) days to obtain its final internal approvals and to provide to the Fund such letter. If the Accredited Entity is unable to meet the above timelines, it will promptly provide the Fund with an explanation for the delays and a revised timeline for obtaining the final internal approvals. The Fund and the Accredited Entity shall agree on such measures as are appropriate in order to avoid delays in the implementation of the relevant Funded Activity.

Independent Redress Mechanism

- 4.23 The Accredited Entity acknowledges that an NDA or Focal Point may file with the Independent Redress Mechanism, in accordance with its terms of reference, a reconsideration request of a funding proposal submitted by the Accredited Entity which is to be implemented in the relevant Host Country and which is denied funding by the Board. In such an instance, the Accredited Entity shall cooperate with and provide reasonable assistance to the Independent Redress Mechanism in carrying out its functions, which may include providing relevant information on the relevant Funding Proposal as the Independent Redress Mechanism may reasonably require.

Clause 5 Results Management Framework; Monitoring and Accountability

Results Management Framework

5.01 The Accredited Entity acknowledges and agrees that each Funding Proposal will include a logical framework setting out the arrangements for monitoring, reporting, and evaluation of the activities consistent with the Results Management Framework, which includes the measurement of impact.

Monitoring and Accountability

5.02 The Accredited Entity acknowledges and agrees that it will satisfy, in accordance with and to the extent provided for in this Agreement, the relevant provisions as applicable to the Accredited Entity in the Monitoring and Accountability Framework, as specifically set out in this Agreement. To this end:

- (a) the Accredited Entity will (i) inform the Fund of any material changes, such as capacity, that may affect its compliance in accordance with Clause 13.01 with the Accreditation requirements and the Standards, as applicable to it; (ii) on an extraordinary basis, be subject to *ad hoc* checks pursuant to Clause 16.05 that may be performed by the Fund; (iii) cooperate with the Fund in its conduct of annual reviews of Funded Activities; and (iv) cooperate with the Fund in its mid-term Accreditation review (such term to be determined in accordance with Clause 22.01) or other review of the Accredited Entity's Accreditation status. With respect to Clauses 5.02(a)(iii) and 5.02(a)(iv) above, whenever feasible and appropriate, as may be determined by the Fund, the Fund may choose to rely on the results of the Accredited Entity's standard review processes in conducting the Fund's own reviews;
- (b) on the basis of the outcome of the reviews and *ad hoc* checks referred to in Clause 5.02(a)(ii) above, the Fund shall have the right to either: (i) revise its Accreditation status as follows: (A) upgrading it; (B) downgrading it; (C) suspending it; or (D) amending the applicable terms and conditions thereof; or (ii) in the case of an Event of Default as contemplated in Clause 19.01, revoke its Accreditation status; and
- (c) the Fund shall, prior to taking any action pursuant to Clause 5.02(b) above: (i) send the Accredited Entity warnings of the possibility of revising/revoking the Accredited Entity's Accreditation status and/or termination of this Agreement referring to its concerns arising out of the aforementioned reviews and *ad hoc* checks for discussion with the Accredited Entity; and (ii) provide the Accredited Entity with a reasonable period of time to address the issues identified;
- (d) any FAA, any Subsidiary Agreement or any agreement entered into by the Accredited Entity with third parties with respect to any Funded Activity prior to revision or revocation of the Accredited Entity's Accreditation status (including in respect of disbursement of the GCF Proceeds) will remain in effect and be unaffected by such revision or revocation (except in case of revocation, which will be subject to Clauses 22.02(b) and 22.03(b)). Upon the revision or revocation of the Accredited Entity's Accreditation status, the Accredited Entity shall continue to satisfy any outstanding commitments and liabilities incurred in relation to each Funded Activity administered by the Accredited Entity prior to such event and the Fund shall continue to perform its related obligations if and when due (except in case of revocation, which will be subject to Clauses 22.02(b) and 22.03(b)); and

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- (e) regarding the implementation of Funded Activities, the Accredited Entity will apply the Monitoring and Accountability Framework provisions in accordance with its own policies and procedures.

Clause 6 Procedure for Term Sheets and Funded Activity Agreements

- 6.01 All Funding Proposals submitted to the Board for consideration shall be accompanied by a Term Sheet for the FAA agreed to by the Parties – subject to final internal approvals of the Fund and the Accredited Entity – setting out, in summary form, the key terms and conditions relating to the proposed Funded Activity (for example, the elected GCF Holding Currency for disbursements or any specific deviation, derogation or modification that the Accredited Entity is seeking to make to this Agreement in the FAA).
- 6.02 As soon as practicable but in any event no later than one hundred and eighty (180) days after the later of: (a) the date of Board approval of a Funding Proposal (including any conditional approval pursuant to Clause 4.20(b) above); and (b) the date on which the Accredited Entity has obtained its final internal approvals, as determined in accordance with its own policies and procedures, the Parties shall enter into an FAA (or a series of FAAs, if applicable) for the relevant Funded Activity, provided that the Fund may not enter into such FAA unless the Accredited Entity has satisfied the requirements under Clause 4.20(b).
- 6.03 Notwithstanding Clause 6.02, if the Parties enter into an FAA prior to the Accredited Entity satisfying the requirements under Clause 4.20(b), they may only do so upon the condition that such FAA will not come into force and will have no legal effect between the Parties until such time as the Fund notifies the Accredited Entity in writing that (a) it satisfied the conditions for effectiveness of the Board’s approval of that Funding Proposal; or (b) if the Fund determines that the conditions for effectiveness have not been satisfied, the Fund waives the satisfaction of such conditions.
- 6.04 The FAA shall be consistent in all material respects with the approved Funding Proposal and Term Sheet and shall set out any other terms and conditions applicable to the relevant Funded Activity, as agreed by the Parties. The FAA will incorporate by reference the terms and conditions of this Agreement and will, as so incorporated, be subject to this Agreement except as otherwise provided for in the FAA.
- 6.05 Any FAA entered into by the Parties shall be consistent in all material respects with the relevant Funding Proposal and Term Sheet.

Clause 7 Disbursement of GCF Proceeds to the Accredited Entity; Unused Funds; Reflowed Funds; Investment Income

- 7.01 Disbursement of GCF Proceeds to the Accredited Entity by the Fund shall be carried out in accordance with this Agreement and the applicable FAA, subject to the availability of unallocated resources in the Trust Fund and satisfaction of the conditions to disbursements set out in Annex 2 (*Conditions*) or otherwise in the applicable FAA. In particular, the Fund shall make available the GCF Proceeds to the Accredited Entity in cash up to the full amount and in the currency specified in the FAA, unless otherwise agreed in the FAA. Funds to be made available to the Accredited Entity shall be transferred to the Accredited Entity (to the account designated in the FAA) by the Trustee acting on written instructions received by it from the Fund. In the case of funds received by the Accredited Entity in a currency other than the holding currency of the GCF Account, promptly upon the receipt of such amounts, the Accredited Entity shall convert such amounts into the

holding currency of the GCF Account at the exchange rate obtained by the Accredited Entity on the date of the conversion. Where the transferred funds prove to be insufficient to complete the Funded Activity as a result of exchange rate fluctuations, neither the Accredited Entity nor the Fund shall bear any responsibility for providing any additional financing.

- 7.02 The Accredited Entity shall ensure that GCF Proceeds and Other GCF Funds are, unless otherwise agreed, held or recorded in a GCF Account in a GCF Holding Currency until they are expended for individual Funded Activities or otherwise disposed of in accordance with this Agreement or the relevant FAA. The funds deposited in the GCF Account shall be kept separate and apart from the funds of the Accredited Entity. The funds deposited in the GCF Account may be commingled with other trust fund assets maintained by the Accredited Entity. The Accredited Entity shall maintain separate records and ledger accounts in respect of the GCF Proceeds and Other GCF Funds and disbursements made there from. GCF Proceeds and Other GCF Funds shall be accounted for, and unless otherwise agreed by the Fund, used solely for the purposes of the Funded Activities.
- 7.03 The funds deposited in the GCF Account may be exchanged by the Accredited Entity into other currencies as may facilitate their disbursement at the exchange rate obtained by the Accredited Entity on the date of the conversion.
- 7.04 Unused Funds from GCF Proceeds, including any Investment Income associated therewith as determined by the Accredited Entity within such period of time as the Fund may specify at its sole discretion, shall be returned by the Accredited Entity to the Fund at its request via the Trustee (or to such other entity or account as the Fund may designate) but, unless an event of default as provided for in Clause 19 has occurred, not more frequently than once a year. The Accredited Entity shall maintain a record of any such Unused Funds and Investment Income associated therewith, as determined by the Accredited Entity and report them to the Fund pursuant to Clause 17 below. The Accredited Entity shall ensure that an obligation to procure or refund any Unused Funds is therefore also provided in any Subsidiary Agreements with an obligation on the Executing Entity to impose similar refund requirements on its counterparties involved in the relevant Funded Activity.
- 7.05 Unless Reflowed Funds are paid directly to the Fund via the Trustee (or such other entity or account as the Fund may designate), the Accredited Entity shall hold or record any Reflowed Funds (following their receipt by the Accredited Entity) in the GCF Account and, if and to the extent agreed in the FAA, notify the Fund and transfer the Reflowed Funds to the Fund via the Trustee (or such other entity or account as the Fund may designate) in a manner and time as agreed between the Parties in the FAA. The Accredited Entity shall maintain a record of any such Reflowed Funds and report them to the Fund pursuant to Clause 17 below. For the avoidance of doubt, Reflowed Funds shall not include any Unused Funds with respect to a Funded Activity. Any Unused Funds with respect to Funded Activities shall be administered by the Accredited Entity in accordance with Clause 7.04 above. Any obligation of the Accredited Entity to transfer the Reflowed Funds to the Fund shall be limited to such amounts which have actually been received by the Accredited Entity from the Executing Entity.
- 7.06 The Accredited Entity may invest and reinvest the funds deposited in the GCF Account pending their disbursement in accordance with the Accredited Entity's applicable policies and procedures for the investment of trust funds administered by the Accredited Entity.
- 7.07 Investment Income shall be held or recorded by the Accredited Entity in the GCF Account until such Investment Income is to be transferred to the Fund via the Trustee (or such other entity or account as the Fund may designate) in accordance with the relevant FAA or as the Fund may otherwise request. The Accredited Entity shall maintain a record of

any such income and report to the Fund pursuant to Clause 17 below. All Investment Income will be reported on, and returned to, the Fund on an annual basis, every year on 15 October. The Accredited Entity will provide advance notice to the Fund if such date is to change in the future.

- 7.08 With respect to any monies owed by the Fund to the Accredited Entity or any other monies owed to the Accredited Entity by any third party (including any Executing Entity), the Accredited Entity may not without the prior consent of the Fund reduce or set off such amounts owed against the GCF Proceeds or Other GCF Funds received, held or recorded by the Accredited Entity.

Clause 8 Responsibilities of the Accredited Entity

- 8.01 When the Accredited Entity is also the Executing Entity, the Accredited Entity shall be responsible for the overall management, implementation and supervision of each Funded Activity in accordance with its own internal policies and procedures. When the Accredited Entity is not the Executing Entity, the Accredited Entity shall, in accordance with the Accredited Entity's own policies and procedures (a) administer and manage the use of GCF Proceeds; (b) incorporate provisions in the Subsidiary Agreements requiring the Executing Entity to ensure the management, implementation and supervision of each Funded Activity; and (c) be responsible for the monitoring, evaluation and reporting responsibilities as set forth in this Agreement.
- 8.02 The Accredited Entity shall inform the Fund of any circumstances that may substantially interfere with the performance of its obligations under this Agreement or the FAA, or otherwise jeopardize the achievements of any objectives, outcomes or outputs of any Funded Activity, providing detailed information thereof to the Fund for its information promptly upon becoming aware of such circumstance.

Clause 9 Standard of Care

- 9.01 The Accredited Entity shall be solely responsible for the administration of GCF Proceeds and Other GCF Funds and will carry out such administration in accordance with its own policies and procedures and with at least the same degree of care as it uses in the administration of its own funds or third-party funds administered by the Accredited Entity for which it has management or investment responsibility, taking into account the provisions of this Agreement and any applicable FAA.
- 9.02 The Accredited Entity shall undertake appropriate measures in accordance with its own policies and procedures, so that all GCF Proceeds and Other GCF Funds, when applicable, are used for the purposes for which they were provided in the relevant FAA.
- 9.03 The Accredited Entity shall:
- (a) apply its own fiduciary principles and standards relating to any 'know your customer' checks, AML/CFT and financial sanctions imposed by the United Nations Security Council, solely in accordance with its own policies and procedures which should enable it to comply with the principles of the AML/CFT Policy and that it shall not be subject to the Policy on Prohibited Practices. As of the date of this Agreement, the Accredited Entity has determined its policies and procedures allow it to substantially comply with the objectives of the Policy on Prohibited Practices;

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- (b) in the event that it determines that there are credible and material allegations of sanctionable practices,¹ as defined in the Accredited Entity's policies and procedures, in relation to a Funded Activity that result in the Accredited Entity opening an investigation into such allegations (an "Investigation"), and in accordance with its applicable policies and procedures:
- (i) take timely and appropriate action with respect to such allegations and, where relevant, seek appropriate redress, including potential sanctions;
 - (ii) as soon as practicable, inform the Fund of the outcome of the Investigation, provided that Fund agrees to keep such information confidential pursuant to Clause 25.09 below, unless such information is already publicly available;
 - (iii) on a case by case basis, decide whether to share information with the Fund on an active Investigation bearing in mind the interest of the Fund to prevent any continuing relationship with persons or entities being subject to an active Investigation, provided that the Fund agrees to keep such information confidential pursuant to Clause 25.09 below; and
 - (iv) take all necessary actions to recover the funds that are the subject of an Investigation where the Accredited Entity has determined it as appropriate.
- 9.04 To the extent that any funds are refunded to the GCF Account following an Investigation, the Accredited Entity shall use such funds for the same purposes as set out in the relevant FAA, unless otherwise agreed between the Parties.
- 9.05 Where the Accredited Entity has entered into Subsidiary Agreement(s) or financing documentation with third parties that govern the use of funds under any Funded Activity, the Accredited Entity shall:
- (a) promptly and in accordance with its own standards inform the Fund once a credible and material risk indicator of money laundering and/or financing of terrorism is identified in relation to any such Subsidiary Agreement(s) or financing documentation;
 - (b) inform the Fund of any event of default declared pursuant to such Subsidiary Agreement(s) and/or financing documentation in connection with money laundering and/or financing of terrorism, in which case upon instruction from the Fund the Accredited Entity shall suspend disbursements of GCF Proceeds to the relevant Executing Entities or third parties until the relevant event of default is cured; and
 - (c) promptly take steps to address the same consistent with such Subsidiary Agreement and/or financing documentation.
- 9.06 Notwithstanding Clause 9.05 above, the Accredited Entity shall not disburse GCF Proceeds to Executing Entities or third parties where a related transfer of funds would violate any applicable law or the Accredited Entity's policies, procedures, or controls in connection with money laundering and/or financing of terrorism, including upon the Fund informing the Accredited Entity of money laundering and/or financing of terrorism risk indicators in relation to a Funded Activity.

¹ Sanctionable practices, as defined in the Accredited Entity's policies and procedures include fraud, corruption, collusion, coercion and obstruction.

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- 9.07 In the event that the Accredited Entity has not entered into Subsidiary Agreement(s) with Executing Entity(ies) or financing documentation with third parties that govern the use of funds under a Funded Activity, the Accredited Entity shall, promptly and in accordance with its own standards, inform the Fund of any credible and material risk indicators of money laundering and/or financing of terrorism under a Funded Activity or any other Funded Activity that may be affected by such risk indicators and promptly take steps to address the same. For avoidance of doubt, in such cases, the Fund may suspend the disbursements to the Accredited Entity under the relevant Funded Activity until such risk indicators have ceased or are reduced to the level satisfactory to the Fund.
- 9.08 The Accredited Entity shall cooperate with the GCF and provide the GCF with reasonable assistance in carrying out its functions, including promoting cooperation between the Independent Integrity Unit and the corresponding body or unit of the Accredited Entity. Practical modalities of such cooperation shall be agreed upon in writing by the Independent Integrity Unit and the corresponding body of the Accredited Entity.

Clause 10 Executing Entities; Affiliates

- 10.01 Where the Accredited Entity is also the Executing Entity in relation to a Funded Activity, it shall in accordance with its own policies and procedures:
- (a) carry out the Funded Activity with due diligence, efficiency and in conformity with sound administrative, technical, financial, business, and development practices, in accordance with the terms and conditions of this Agreement as well as the relevant FAA;
 - (b) ensure in the event that the Accredited Entity's policies and procedure allow for the procurement of Goods and/or Works, that adequate provision is made for the insurance of any Goods and/or Works required for the Funded Activity against hazards. Any indemnity for such insurance shall be payable in a freely usable currency to replace or repair such Goods and/or Works; and
 - (c) ensure, whenever applicable and in the event that the Accredited Entity's policies and procedure allow for the procurement of Goods, Works, and/or Services that:
 - (i) except as specified in the FAA or as the Fund may otherwise agree, all Goods Services and Works are used exclusively for the purposes of the Funded Activity, and all facilities relevant to the Funded Activity are properly operated and maintained; and (ii) whenever applicable, competent and qualified consultants and contractors are employed to achieve the objectives of the relevant Funded Activity.
- 10.02 In relation to a Funded Activity where the Accredited Entity is not the Executing Entity, the Accredited Entity:
- (a) shall, in accordance with its own policies and procedures:
 - (i) assess through appropriate due diligence processes the integrity and/or financial management² capacity of each Executing Entity to implement the relevant Funded Activity, including with respect to AML/CFT capabilities, and report thereon, make such assessments available to the Fund upon request, and select each Executing Entity based on a positive assessment

² It is understood that assessment of financial management capacity may include the assessment of fiduciary capacity, when applicable.

of that Executing Entity's capacity to carry out the Funded Activity that is being assigned to it and in a transparent documented manner;

- (ii) require the Executing Entity to carry out the Funded Activity in accordance with Clause 10.01 of this Agreement as well as the terms of the relevant FAA;
 - (iii) monitor the performance of the Executing Entity and assure regular reporting from them in the Subsidiary Agreement; and
 - (iv) take appropriate action, which may include remedies, to protect the interest of the Fund in the event of breach, non-performance or default by an Executing Entity;
- (b) shall ensure that any Subsidiary Agreement that the Accredited Entity enters into with an Executing Entity in respect of a Funded Activity shall reflect or incorporate the terms and conditions of the FAA that may be applicable or relevant to such Executing Entity. The Accredited Entity shall furnish to the Fund, executed copies of any Subsidiary Agreement promptly upon request by the Fund.

10.03 The Accredited Entity acknowledges that any Affiliates should only receive GCF Proceeds or Other GCF Funds for a Funded Activity if this was specifically provided for in the Funding Proposal for such Funded Activity. If such Affiliates do receive GCF Proceeds or Other GCF Funds, the Accredited Entity shall ensure that such Affiliates comply with the terms of this Agreement and relevant FAA. In any event, the Accredited Entity acknowledges and agrees that providing GCF Proceeds to its Affiliates shall not relieve it of its obligations and liabilities under this Agreement, and it shall be responsible for the acts and omissions of its Affiliates, including in relation to funds disbursed to them as if they were the acts and omissions of the Accredited Entity.

Clause 11 Administration of Funds by the Accredited Entity

- 11.01 Disbursement and administration of GCF Proceeds by the Accredited Entity shall be in accordance with the Accredited Entity's own policies and procedures.
- 11.02 The Accredited Entity may reallocate GCF Proceeds in accordance with its own policies and procedures in respect of a Funded Activity subject to a mutually agreed process and thresholds as may be set out in each FAA.
- 11.03 The Accredited Entity shall inform the Fund as soon as possible of any event or proposed modification to a Funded Activity which could reasonably constitute a Major Change and, if so deemed by the Fund, seek the Fund's instructions on the necessary steps to be taken to address such event or to effect such proposed modification, which may involve seeking a new No-Objection Letter and/or new Board approval.

Clause 12 Accredited Entity Fees

- 12.01 In accordance with the policies and procedures approved by the Board for the determination and payment of fees payable to Accredited Entities (as such policies and procedures may be amended from time to time) or as otherwise agreed between the Parties, the Accredited Entity shall be entitled to receive the Accredited Entity Fee for project implementation, or other services performed pursuant to this Agreement, as agreed and detailed in the relevant FAA. The Parties will agree, prior to the execution of the first FAA, on principles for the formulation and assessment of the Accredited Entity

Fee, taking into account the Accredited Entity's policies and procedures, including the principle of full cost recovery. For the avoidance of doubt, the Accredited Entity Fee shall not be included in the GCF Proceeds, and shall be paid by the Fund to the Accredited Entity separately from the GCF Proceeds.

Clause 13 Compliance with Standards, Policies and Procedures

13.01 The Accredited Entity covenants that it shall comply, and where applicable shall contractually require such compliance by the Executing Entity, (i) with the Accredited Entity's own policies and procedures that enable it to comply with the Fund's Standards, policies and procedures as has been assessed by the Fund in the Accreditation process and without prejudice to Clause 32.05; and (ii) with any conditions, requirements, or recommendations from the Accreditation Panel as included in Annex 2 (*Conditions*) and adopted by the Board in the Accreditation. If during the term of this Agreement, the Accredited Entity substantially revises its policies and procedures to such extent that it may result in its non-compliance with this Agreement or an FAA due to inconsistency with the Fund's Standards, policies and procedures, the Accredited Entity shall:

- (a) promptly notify the Fund;
- (b) with the aim of resolving such matter within a reasonable time period (which will be not less than one hundred and twenty (120) days), consult with the Fund, such that the Accredited Entity may either (A) take any necessary or appropriate action to ensure its continued compliance or take such necessary or appropriate action to become compliant; or (B) inform the Fund that it is unable or unwilling to, through the compliance with the Accredited Entity's own policies and procedures, to comply with the Fund's Standards, policies and procedures; and
- (c) unless otherwise agreed with the Fund, not submit any new Funding Proposals during the reasonable time period contemplated in Clause 13.01(b).

13.02 The Accredited Entity acknowledges that any failure to comply with Clause 13.01 above, can lead to the downgrading, suspension or revocation of its Accreditation.

Independent Integrity Unit

13.03 The Accredited Entity shall cooperate with the Independent Integrity Unit and provide the Independent Integrity Unit with reasonable assistance in carrying out its functions, including promoting cooperation between the Independent Integrity Unit and the corresponding body or unit of the Accredited Entity. Practical modalities of such cooperation shall be agreed upon in writing by the Independent Integrity Unit and the corresponding body of the Accredited Entity.

Independent Redress Mechanism

13.04 It is understood that the Independent Redress Mechanism of the Fund on the one hand, and the Independent Consultation and Investigation Mechanism of the Accredited Entity on the other, will each perform their duties and exercise their powers and functions, in accordance with the policies and procedures of the Fund and the Accredited Entity respectively. To this end, the Accredited Entity and the Fund shall promote cooperation between the Independent Redress Mechanism and the Independent Consultation and Investigation Mechanism of the Accredited Entity, and provide them with reasonable assistance in carrying out their functions.

Independent Evaluation Unit

13.05 The Accredited Entity shall cooperate with the Independent Evaluation Unit and provide it with reasonable assistance in carrying out its functions. The Independent Evaluation Unit may, upon mutual agreement between the Accredited Entity and the Fund, undertake, in cooperation with the Accredited Entity, evaluability assessments as well as impact evaluations at different stages of implementation of a Funded Activity, costs of which will be borne by the Fund. The Accredited Entity will provide the Independent Evaluation Unit reasonable assistance in promoting cooperation between the Independent Evaluation Unit and the corresponding body or unit of the Accredited Entity including agreements as is mandated in the Terms of Reference of the Independent Evaluation Unit. The Independent Evaluation Unit may also reasonably request the Accredited Entity to evaluate and measure the results and impacts of the Funded Activity including any impact evaluations that may be agreed upon in advance and for which the Independent Evaluation Unit may be asked to provide advice.

Clause 14 Procurement

14.01 The procurement of Goods, Services and Works for Funded Activities, whether by the Accredited Entity itself, an Executing Entity or by a third party, shall be done in accordance with the policies and procedures of the Accredited Entity to the extent and scope of its Accreditation.

Clause 15 Record Keeping and Reporting

15.01 The Accredited Entity shall ensure that, in accordance with its applicable policies and procedures, including its access to information policy, and subject to Clause 25:

- (a) (i) all documents held by the Accredited Entity; and (ii) any other documents that may be obtained from the Executing Entity by the Accredited Entity in accordance with the relevant Subsidiary Agreement and the Accredited Entity's usual procedures and which are related to this Agreement, including documents relating to individual Funded Activities, are furnished to the Fund upon its request, as promptly as possible, once the Accredited Entity has obtained such documents from the Executing Entity, in such detail as the Fund may reasonably request;
- (b) documents are maintained adequately to record the progress of individual Funded Activities;
- (c) all documents held by the Accredited Entity related to individual Funded Activities, including records evidencing the use of GCF Proceeds under each FAA, are retained until at least five (5) years after the relevant Reporting Period or, if provided in the relevant FAA, such longer period required to monitor and manage any, outstanding loans or other financial instruments or to resolve any claims or audit inquiries. The Accredited Entity shall require the Executing Entity to retain the records evidencing the use of GCF Proceeds in the relevant Subsidiary Agreement in accordance with the Accredited Entity's usual procedures;
- (d) the representatives of the Fund, in coordination with the Accredited Entity, are able to examine all records referred to above in Clauses 15.01(b) and 15.01(c) that are furnished to them by the Accredited Entity upon reasonable request by the Fund; and

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- (e) records relating to Funded Activities are made publicly available in a timely manner, provided that – subject to Clause 25 – this shall not prevent the Fund from making the records relating to Funded Activities publicly available in accordance with its own Information Disclosure Policy. With respect to disclosure related to ESS, such disclosure shall be made in accordance with the Accredited Entity’s policies and procedures.

15.02 The Accredited Entity shall provide to the Fund the following reports prepared in a form and manner consistent with the Monitoring and Accountability Framework for individual Funded Activities:

- (a) APRs on the status of each Funded Activity throughout the relevant Reporting Period, including a narrative report on implementation progress based on the logical framework submitted in the Funding Proposal and considerations on the ongoing performance of the Funded Activity against the Fund’s investment framework criteria, including updates on the indicators as per the guidance provided by the Fund’s results management framework, and a report on environmental and social standards as well as gender. Unless otherwise specified in the FAA, the APR shall be submitted to the Secretariat on an annual basis for the period ending on 31 December within sixty (60) days after the end of the relevant annual period, with the first APR required to be submitted following the end of the calendar year after the Parties have entered into the relevant FAA, and the last APR required to be submitted within six (6) months of the end of the relevant Reporting Period;
- (b) interim and final evaluation reports, as outlined in the relevant Funding Proposal or FAA, setting out any necessary corrective measures (in the case of interim reports), an assessment of the performance of the Funded Activity against the Fund’s investment framework criteria, including financial/economic performances as part of the Funded Activity efficiency and effectiveness criterion, as well as the sustainability and scalability of results and impacts and lessons learned, during the relevant period. If so provided in the relevant Funding Proposal or FAA, such interim and final evaluation reports shall be prepared by an independent evaluator selected by the Accredited Entity or by an independent evaluation unit/office of the Accredited Entity and reasonably acceptable to the Fund, and shall be submitted on the dates or according to the schedule set forth therein. Copies of these reports shall be forwarded by the Accredited Entity to the NDA or, if applicable, the Focal Point for information; and
- (c) such other reports as the Accredited Entity may prepare or require in accordance with its own rules, policies or practices in relation to a Funded Activity, and any other reports as may reasonably be requested by the Fund in order to enable it to assess the results and impacts of the Funded Activity and/or compliance with this Agreement.

15.03 The Accredited Entity shall provide to the Fund, in accordance with the Monitoring and Accountability Framework, on an annual basis for the period ending on 31 December within sixty (60) days after the end of the relevant annual period: a report on its actions carried out or planned to be carried out pursuant to Clause 18.02(i).

Clause 16 Funded Activity Audit, Supervision and *Ad Hoc* Checks

16.01 If the Accredited Entity is not the Executing Entity, the Accredited Entity shall make available to the Fund, in accordance with its policies and procedures, copies of all financial

statements and annual audited reports of the Funded Activity received by the Accredited Entity from Executing Entities pursuant to the relevant Subsidiary Agreement, which shall not be later than six (6) months after the end of the Executing Entity's fiscal year. If the Accredited Entity is also the Executing Entity, the Accredited Entity shall make available to the Fund, in accordance with its policies and procedures, copies of all relevant financial information of the Funded Activity which shall not be later than six (6) months after the end of the Accredited Entity's fiscal year.

- 16.02 Where the Fund has reason for concern that GCF Proceeds or Other GCF Funds for any Funded Activity may not have been used in accordance with this Agreement, or the relevant FAA, the Fund may ask the Accredited Entity to, and the Accredited Entity shall provide it, subject to Clause 25, with information concerning the use of funds or resources in respect of the relevant Funded Activity. For the avoidance of doubt, any information relating to an Investigation shall only be provided in accordance with Clause 9.03 of this Agreement.
- 16.03 If after reviewing any such information provided by the Accredited Entity, the Fund, acting reasonably, continues to have a concern as to the manner in which GCF Proceeds or Other GCF Funds have been used, the Fund may consult with the Accredited Entity to determine an appropriate solution and may request the Accredited Entity to take necessary corrective measures to address this concern. This could include a financial audit of the individual Funded Activity by the Executing Entity's external auditors that is performed based on terms established in consultation with the Accredited Entity. The Fund will fully communicate its reasons for such a request to the Accredited Entity, which shall be reasonable and appropriate to protect the interest of the Fund. The costs of such audit will be borne by the Accredited Entity, if the concern of the Fund is found to be substantially correct by the auditor, or by the Fund in all other cases.
- 16.04 The Accredited Entity shall be responsible for the supervision of the Funded Activities in accordance with its own policies and procedures. Subject to the consent of any relevant Executing Entity, the Accredited Entity may invite representatives of the Fund to participate in supervision or other similar missions led by the Accredited Entity relating to a Funded Activity, when applicable. On an extraordinary basis and subject to the terms set out in Clause 16.05 below, such missions shall be planned and carried out in a collaborative manner, with procedural matters determined by the Accredited Entity's policies and procedures, keeping in mind the effective and efficient implementation of the Funded Activity. Each Party shall bear its own costs in relation to such missions.
- 16.05 The Fund may at its own cost, on an extraordinary basis, conduct (a) *ad hoc* checks on the use of GCF Proceeds or Other GCF Funds for a Funded Activity with a view to assessing its compliance with this Agreement and/or an FAA on an extraordinary basis, provided that (i) the Fund gives adequate prior notice to the Accredited Entity specifying the rationale for such request; (ii) specific terms for *ad hoc* checks for a specific Funded Activity have been agreed upon with the Accredited Entity; (iii) *ad hoc* checks and reviews will be conducted in coordination with the Accredited Entity and, if applicable, to the extent possible, during regular Accredited Entity supervision missions; (iv) any findings resulting from the *ad hoc* checks and reviews shall be shared with the Accredited Entity and serve as the basis for further consultation; (v) such *ad hoc* checks and reviews do not create an undue burden on the Accredited Entity or Executing Entity's regular operations; and (vi) the objective of the *ad hoc* checks and reviews is not to carry out an audit of the Accredited Entity but to verify, by sample-checking, how the GCF Proceeds have been used; and/or (b) *ex post* impact evaluations of Funded Activities. The Accredited Entity shall cooperate with the Fund in the conduct of such evaluations and sub-paragraphs (a)(i), (a)(ii) and (a)(v) above shall apply *mutatis mutandis*. For the avoidance of doubt,

such ad hoc checks and review do not constitute a financial, compliance or other audit of the GCF Account.

Clause 17 Financial Management and Financial Information

17.01 The Accredited Entity shall ensure that:

- (a) a financial management system is maintained, with separate informational statements, accounts and records of GCF Proceeds and Other GCF Funds being prepared in accordance with the Accredited Entity's accounting standards, consistently applied ("Financial Information");
- (b) the Accredited Entity shall furnish to the Fund current Financial Information relating to receipts, disbursements and fund balance in the Holding Currency with respect to the GCF Proceeds and Other GCF Funds. Within six (6) months after all commitments and liabilities under the GCF Account have been satisfied and the GCF Account has been closed, the final Financial Information relating to receipts, disbursements and fund balance in the Holding Currency with respect to the GCF Proceeds and Other GCF Funds shall be made available to the Fund;
- (c) the Financial Information referred to in Clauses 17.02(b) and 17.02(c) below are audited annually by the Accredited Entity's independent external auditors or such other auditors as are acceptable to the Fund, in accordance with internationally recognized auditing standards that are acceptable to the Fund; the Financial Information, as so audited, are furnished to the Fund in accordance with Clauses 17.02(b) and 17.02(c), together with such other information concerning the audited Financial Information and such auditors, as the Fund may from time to time reasonably request; and
- (d) all Financial Information related to GCF Proceeds and Other GCF Funds shall be expressed in one of the GCF Holding Currencies and in the absence of the Parties specifying otherwise in an FAA, such Financial Information will be provided in USD.

17.02 The Accredited Entity shall provide to the Fund the following Financial Information in a form and means agreed with the Fund:

- (a) on a semi-annual basis within one hundred and twenty (120) days after 30 June and 31 December of each year (or such other frequency agreed in the FAA):
 - (i) the dates and amounts disbursed for Funded Activities, for the period reported and cumulative amounts up to the period, broken down by each Funded Activity, and compliance with financial covenants;
 - (ii) the actual disbursements for the Funded Activities for the period reported and cumulative amounts up to the period, broken down by each Funded Activity;
 - (iii) (A) the date on which any Funded Activity is financially closed; (B) the final amount disbursed for such Funded Activity; (C) the amount of any Unused Funds from such Funded Activity; and (D) the amount of such unused funds paid to the Fund, for the period reported, broken down by each such Funded Activity;

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- (iv) the dates and amounts of any Reflowed Funds received by the Accredited Entity from Funded Activities, as well as the amount of such Reflowed Funds paid to the Fund, for the period reported and cumulative amounts up to the period, broken down by each Funded Activity; and
 - (v) a statement of Investment Income earned on GCF Proceeds, as well as the amount of such Investment Income paid to the Fund;
- (b) within four (4) months after the end of the GCF Fiscal Year, an unaudited annual financial statement of the GCF Account with specific Funded Activities listed in a separate annex, and within six (6) months after the end of the GCF Fiscal Year, an audited annual financial statement for the GCF Account containing the same information;
 - (c) within four (4) months after expiration or termination of this Agreement, an unaudited final financial statement for the GCF Account, and within six (6) months after expiration or termination, an audited final financial statement for the GCF Account, in each case regarding the period since the last period covered by the statements referred to in Clause 17.02(b) above; and
 - (d) such other information related to funds disbursed by the Fund to the Accredited Entity, as may reasonably be requested by the Fund from time to time.

Use of Reports

17.03 Each Party acknowledges and agrees that, subject to Clause 25, a Party may release in the public domain any report or statement, in whole or in part, that has been submitted to it by the other Party under this Agreement (or any FAA). To the extent that the Accredited Entity has the rights of use of any report, each Party also acknowledges and agrees that, subject to Clause 25, the other Party may use, reproduce, modify and/or adapt information and other data contained in such reports for any reason whatsoever.

Fund Agent

17.04 The Fund may utilize a Fund Agent on behalf of the Fund to perform certain functions or activities set out in this Agreement in respect of a Funded Activity, provided that (a) the Fund gives adequate prior notice to the Accredited Entity specifying the scope of the functions and activities to be performed by the Fund Agent, and (b) the Accredited Entity agrees to the appointment of such Fund Agent.

Clause 18 Representations, Warranties and Covenants

Representations and Warranties

18.01 The Accredited Entity represents and warrants that, on the effective date of this Agreement with respect to (a) below and that, on the effective date of this Agreement, the date of entering into each FAA, if different, the date of effectiveness of each FAA and the date of the disbursement made by the Fund under an FAA, with respect to (b), (c), (d), (e), (f), (g) and (h):

- (a) references to the Accredited Entity's policies and procedures may include policies and procedures of the Inter-American Development Bank, as assessed during the accreditation process;

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- (b) the execution and delivery of this Agreement or the relevant FAA, as the case may be, and compliance with the terms of this Agreement or FAA, as the case may be, including, if applicable, the implementation by the Accredited Entity of any Funded Activity, will not conflict with the Accredited Entity's policies and procedures and, to the best of its knowledge, with any other agreement to which the Accredited Entity is a party;
 - (c) it has the capacity and authority to enter into this Agreement and the relevant FAA;
 - (d) any factual information provided by it to the Fund as part of the Funding Proposal or otherwise pursuant to Clause 4.12 is to the best of its knowledge true and accurate in all material respects as of the date it is provided or as of the date (if any) at which it is stated;
 - (e) to the best of its knowledge, the estimated financial projections, if any, contained in a Funding Proposal or FAA will be or were, as the case may be, prepared on the basis of recent historical information and on the basis of reasonable assumptions, and to the extent that such projections were prepared by the Executing Entity, the Accredited Entity will require the Executing Entity to make an equivalent representation or warranty;
 - (f) to the best of its knowledge, nothing has occurred or been omitted from the Funding Proposal and no information has been given or withheld that results in the information contained in the Funding Proposal being untrue or misleading in any material respect;
 - (g) the relevant policies of the Accredited Entity are substantially consistent with the principles of the AML/CFT Policy; and
 - (h) the policies of the Accredited Entity addressing Prohibited Practices are substantially consistent with the objectives of the Policy on Prohibited Practices.

Covenants of the Accredited Entity

18.02 The Accredited Entity covenants (to the extent applicable) that as from the effective date of this Agreement, the date of entering into each FAA and, if different, the date of effectiveness of each FAA, the Accredited Entity shall:

- (a) perform its obligations under this Agreement and the relevant FAA;
- (b) take necessary steps, in accordance with its policies and procedures, to cause (insofar as it is contractually able to do so) the Funded Activity to be implemented with due diligence and efficiency and in conformity with sound and applicable technical, financial, business and development practices;
- (c) require the Executing Entity, in accordance with its policies and procedures and insofar as it is contractually able to do so, to ensure that all necessary and applicable licenses, approvals and consents, including those relating to intellectual property, to implement, (if appropriate) carry out or operate any Funded Activity are valid for the duration of the Funded Activity;
- (d) as soon as practicable, provide or cause to provide written notice to the Fund of, to the best of its knowledge, any legitimate claims, investigations or proceedings which, if determined adversely, could reasonably be expected to result in a material adverse effect on the ability of the Accredited Entity to perform any of its obligations under this Agreement;

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- (e) apply its own fiduciary principles and standards relating to 'know your customer' checks, AML/CFT, sanctionable practices,³ as defined in the Accredited Entity's policies and procedures, and financial sanctions imposed by the United Nations Security Council, solely in accordance with own policies and procedures which should enable it to comply with the principles of the AML/CFT and that it shall not be subject to the Policy on Prohibited Practices and make arrangements to ensure that GCF Proceeds and Other GCF Funds provided for or resulting from the purposes of any Funded Activity are not used by it, any Executing Entity or (insofar as it is contractually able to do so) any third parties and recipients to whom the GCF Proceeds and Other GCF Funds are disbursed, for any activities contravening the standards as set forth above;
 - (f) seek remedies including, where appropriate, by claiming repayment by the Executing Entity of any GCF Proceeds used by the Executing Entity or any third parties involved to any purpose set out in Clause 18.02(e) subject to Clause 9.03(b), in accordance with its policies and procedures. Any repayment obligation of the Accredited Entity shall be limited to such amounts actually repaid to the Accredited Entity by the Executing Entity or any other third party, in accordance with its policies and procedures;
 - (g) always act in good faith and diligently with professional care to avoid or manage actual or potential conflict of interest in relation to a Funding Proposal and/or a Funded Activity (as applicable), in accordance with its policies and procedures;
 - (h) require each Executing Entity to represent that the activities related to any Funded Activity are operated in compliance with the laws of the countries in which it operates, and other laws applicable to it, including but not limited to intellectual property law, if and to the extent any such laws may be applicable to it, and the Accredited Entity shall require such Executing Entity to confirm during the term of the respective FAA, that the activities related to any Funded Activity are operated in compliance with such laws;
 - (i) indicate how it intends to strengthen the capacities of, or otherwise support, potential subnational, national and regional entities to meet the accreditation requirements of the Fund in order to enhance country ownership, to the extent practicable and appropriate;
 - (j) shall comply with, and dedicate the necessary financial, human and other resources to comply with the following requirements:
 - (i) ensure that concept notes and funding proposals submitted for GCF financing meet the principles and requirements of the Updated Gender Policy;
 - (ii) submit as a part of the Funding Proposal: (A) a gender assessment, along with appropriate environmental and social assessments (as may be required according to the level of risks and impacts); and (B) a project-level gender action plan;
 - (iii) integrate analysis of context and sociocultural factors underlying climate change-exacerbated gender inequality and optimize the potential contributions of women and men of all ages to build both individual and collective resilience to climate change;

³ Sanctionable practices, as defined in the Accredited Entity's policies and procedures include fraud, corruption, collusion, coercion and obstruction.

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- (iv) at the Funded Activity implementation, monitoring and reporting stage:
 - (A) take necessary measures to implement the project-level gender action plan submitted as part of the funding proposal approved by the Fund;
 - (B) in implementing the Funded Activity-level gender action plan, refine, as may be necessary, the gender-related baseline, indicators and targets;
 - (C) take the necessary measures to ensure periodic updates on the gender assessments and notify the Fund when there are major changes in the design and execution of projects, or other circumstances that may affect the implementation of the gender action plan. The Accredited Entity will also notify the Fund of any changes in the project-level gender action plan; and
 - (D) Monitor and report on the progress made in implementing the project-level gender action plan; and
 - (k) Ensure that Subsidiary Agreement(s) and any other agreement with third parties under a Funded Activity include money laundering and financing of terrorism as events of default.

Clause 19 Events of Default

19.01 The Accredited Entity will be in default with this Agreement if all of the following conditions are met: (a) any of the below-mentioned events occur; (b) the Fund provides written notice to the Accredited Entity of such event has occurred; and (c) the Accredited Entity fails to remedy such event within one hundred and twenty (120) calendar days from the date of the receipt of such written notice or a reasonable period of time as may be agreed between the Parties (the “Cure Period”) (“Event of Default”):

- (a) the Accredited Entity failed to comply, in any material respect with, or shall have failed to perform in any material respect, any of its obligations under this Agreement;
- (b) a representation or warranty made or repeated by the Accredited Entity pursuant to Clause 18.01 proves to have been incorrect or misleading in any material respect when made or repeated or deemed to have been made or repeated;
- (c) the Accredited Entity has ceased to exist in the same legal form as that prevailing as of the Date of Accreditation and its obligations, responsibilities or liabilities under this Agreement, or in relation to any Funded Activity thereunder, have not been assumed in full by a replacement entity that is satisfactory to the Fund; or
- (d) at any time, following notification from the Fund to the Accredited Entity of an allegation of any practice described in Clause 9.03(b) in respect of a Funded Activity where the Accredited Entity (or, other such entity) has failed to take timely and appropriate action in accordance with its own policies and procedures.

Clause 20 Remedies following an Event of Default

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- 20.01 Following the occurrence of an Event of Default set out in Clause 19 (for avoidance of doubt which will happen after the end of the Cure Period), the Fund may exercise any of its rights under this Agreement, including the right to:
- (a) terminate this Agreement and/or, if applicable, any specific FAAs entered into thereunder that are directly affected by the Event of Default or in relation to which the Event of Default has arisen, upon giving ninety (90) days' written notice to the Accredited Entity and cease the consideration or approval of any further Funding Proposals;
 - (b) suspend any further payments, including but not limited to the disbursement of GCF Proceeds, payable by it under the terms of any or all Funded Activities being implemented in accordance with this Agreement, where such FAA has been directly affected by the Event of Default, immediately upon giving notice to the Accredited Entity; and/or
 - (c) seek a refund of GCF Proceeds and Other GCF Funds for any Funded Activity to the extent such funds (i) are uncommitted, after paying any liabilities then outstanding incurred in accordance with this Agreement and the FAA; or (ii) have been used for any purpose other than the purpose for which they were provided; provided that any refund obligation of the Accredited Entity shall be limited to such amounts which have actually been recovered by the Accredited Entity from an Executing Entity having exercised its best efforts in accordance with its usual procedures and without prejudice to or without requiring the waiver of its privileges and immunities. For the avoidance of doubt, the Executing Entity will be responsible to refund to the Accredited Entity, in accordance with the relevant Subsidiary Agreement, Unused Funds by the Executing Entity and the GCF Proceeds that have been used for any purpose other than the purpose for which they were provided.

Clause 21 Force Majeure

- 21.01 Neither of the Parties shall be held liable for the breach of its obligations under this Agreement or an FAA for a Funded Activity if it is prevented from fulfilling them by reason of Force Majeure, provided that the Party affected by such an event has taken all reasonable precautions, due care and reasonable alternative measures, all with the objective of carrying out the terms and conditions of this Agreement and the relevant FAA, as applicable.
- 21.02 A Party affected by an event of Force Majeure shall notify the other Party of such event as soon as possible, and in any event not later than fifteen (15) days following the occurrence of such event, providing evidence of the nature and cause of such event, which shall include the information about the possibility of restoration of normal conditions as soon as possible. Any costs borne or incurred by the Accredited Entity acting reasonably and pursuant to the Funded Activity work plan and budget during the period of suspension under this Clause 21 and before the resumption of the Funded Activity, shall be covered within the agreed budget for the Funded Activity.
- 21.03 The Accredited Entity may withdraw a Funding Proposal at any time, if the Accredited Entity, in consultation with the Fund, determines and so notifies the Fund that an event constituting Force Majeure has occurred which would make it impossible, too difficult or too dangerous for the Accredited Entity, or the Executing Entity, as the case may be, to implement the proposed Funded Activity.

21.04 If after the execution of an FAA for a Funded Activity, the Accredited Entity, in consultation with the Fund, determines and so notifies the Fund that an event constituting Force Majeure has occurred which would make it impossible, too difficult or too dangerous for the Accredited Entity and/or the Executing Entity, as the case may be, to continue with the implementation of the relevant Funded Activity, either Party may, following mutual consultations, terminate such FAA.

Clause 22 Term and Termination

22.01 Subject to a prior termination pursuant to Clause 22.02, the Accredited Entity will, from the date of effectiveness of this Agreement in accordance with Clause 2.01, remain Accredited for a period of five (5) years. The Accredited Entity will either seek re-accreditation prior to the lapsing of the five (5) year period or its status as an Accredited Entity will lapse thereupon. In the event that the Accredited Entity has sought re-accreditation prior to the expiration of the five (5) year period, the Accreditation shall be deemed to continue until re-accreditation is determined, and the Accredited Entity shall continue to satisfy any outstanding commitments and liabilities incurred in relation to each Funded Activity managed by the Accredited Entity.

22.02 This Agreement will terminate:

- (a) provided that the Accredited Entity has not sought re-accreditation prior to the expiration of the five (5) year period, upon lapse of the Accredited Entity's Accreditation pursuant to Clause 22.01;
- (b) upon revocation of the Accredited Entity's Accreditation and notice to the Accredited Entity pursuant to Clause 5.02(c) and Clause 13.02;
- (c) upon the Fund giving notice to the Accredited Entity pursuant to Clause 20.01(a);
- (d) upon the Accredited Entity giving notice to the Fund that the period of time as reasonably set by the Accredited Entity for the Fund to remedy a failure to comply, in any material respects with, or perform in any material respects, any of its obligations under this Agreement, has expired; or
- (e) upon either Party giving prior written notice of at least one hundred and eighty (180) days to the other.

22.03 Upon termination of this Agreement:

- (a) the Accredited Entity shall continue to satisfy any outstanding commitments and liabilities incurred in relation to each Funded Activity administered by the Accredited Entity prior to the termination of this Agreement and the Fund shall continue to perform its related obligations if and when due; provided that by doing so the Fund will not: (i) surrender or waive any rights, claim or demand it may have against the Accredited Entity arising from the termination of this Agreement; or (ii) be deemed to affirm the terminated Agreement. Any FAA, any Subsidiary Agreement or any agreement entered into by the Accredited Entity with third parties with respect to such Funded Activity prior to the termination of this Agreement (including in respect of disbursement of the GCF Proceeds) will remain in effect and be unaffected by the termination of this Agreement; except that if the termination of this Agreement is due to an Event of Default under Clause 19.01, the Accredited Entity shall discuss in good faith with the Fund as to the most appropriate way of addressing any ongoing Funded Activities under the FAAs and Subsidiary Agreements, provided that nothing contained herein shall

require the Accredited Entity to continue funding a Funded Activity in the event that the Fund suspends any further payments, including but not limited to the disbursement of GCF Proceeds in relation to such Funded Activity;

- (b) notwithstanding the termination of this Agreement and subject to Clauses 7.04, 7.05 and 7.07, the Accredited Entity shall continue to receive any Reflowed Funds and hold any Unused Funds from GCF Proceeds, including any Investment Income associated therewith as determined by the Accredited Entity and any other amounts received or due to be received by the Accredited Entity with respect to each Funded Activity, until all outstanding commitments, obligations and liabilities in relation to such Funded Activity have been satisfied; and
- (c) after all outstanding commitments, obligations and liabilities in relation to such Funded Activity have been satisfied, the Accredited Entity shall, upon the request of the Fund through the Trustee or other means designated by the Fund, return any Unused Funds, and pay the Fund any Reflowed Funds and any net Investment Income earned therefrom not already paid pursuant to Clauses 7.04, 7.05 and 7.07.

Clause 23 Intellectual Property; Ownership of Equipment; Entitlement to Emission Reductions

- 23.01 The Accredited Entity shall, in accordance with its policies and procedures, incorporate provisions in the Subsidiary Agreements requiring the Executing Entity to ensure that all Fund-financed contracts for the procurement of Goods, Services and Works contain appropriate representations, warranties and, if appropriate, indemnities from the contractor or supplier, not to violate or infringe any intellectual property right or claim of any third party.
- 23.02 The Accredited Entity shall, in accordance with its policies and procedures, incorporate provisions in the Subsidiary Agreements requiring the Executing Entity to ensure that all Fund-financed contracts contain appropriate representations, warranties and, if appropriate, indemnities from the contractors or suppliers to ensure that the Funded Activities do not violate or infringe any intellectual property right or claim of any third party.
- 23.03 In relation to a Funded Activity that is a grant financed in whole or in part with GCF Proceeds, unless otherwise agreed in the FAA, if any part of such grant is used to purchase any durable assets or equipment used to implement the relevant Funded Activity (such as vehicles or office equipment), upon completion of the Funded Activity or termination of the relevant FAA in accordance with its terms, the Accredited Entity shall take steps in relation to such assets or equipment in accordance with its policies and procedures.
- 23.04 In relation to a Funded Activity, the possibility for GHG emission reductions achieved by a Funded Activity to be converted into offset credits or units generated thereby will be determined in accordance with the FAA, if applicable.

Clause 24 Branding

- 24.01 In addition to the use of its own branding, in accordance with the applicable policies and procedures of the Accredited Entity, the Accredited Entity shall also endeavour to acknowledge the visual identity of the Fund in funding the relevant Funded Activities (e.g. through use of the Fund logo, in accordance with the Fund's branding guidelines, and appropriate references in reports, publications, information given to beneficiaries and news media, related publicity materials and any other forms of public information and

the displaying of the GCF logo on the site of any infrastructure works). Any branding activities in support of the Fund shall comply, and be reviewed by the Secretariat in accordance, with the Fund's branding guidelines. The same condition shall apply for co-branding activities.

Clause 25 Confidentiality

- 25.01 Notwithstanding any other provision of this Agreement to the contrary, no Party shall be required to disclose any information to the other Party if such disclosure would violate or be otherwise inconsistent with the disclosing Party's policies or procedures or any confidentiality or non-disclosure obligation it may have assumed. Each Party undertakes that it shall not at any time disclose to any person any Confidential Information except as permitted by Clause 25.02.
- 25.02 Each Party may disclose the other Party's Confidential Information to, in the case of the Accredited Entity, the Staff of the Accredited Entity and the Executing Entity, and in the case of the Fund, its Staff, Experts, Fund Agent, Board members, alternate Board members and their advisers, who need to know such information for the purposes of exercising the Party's rights or carrying out its obligations under or in connection with this Agreement. Each Party shall ensure that its employees, officers, representatives, consultants or advisers to whom it discloses the other Party's Confidential Information comply with this Clause 25; the Fund shall ensure that its Board members, alternate Board members or their advisors shall also comply with this Clause 25; and the Accredited Entity shall ensure that the Executing Entity (including its employees, officers, representatives, consultants, contractors or advisers) comply with this Clause 25.
- 25.03 The provisions of this Clause 25 shall not apply to any information, including Confidential Information, that:
- (a) is or becomes generally available to the public (other than as a result of its disclosure by the receiving Party or its representatives in breach of this Clause 25);
 - (b) was available to the receiving Party on a non-confidential basis before disclosure by the disclosing Party;
 - (c) was, is or becomes available to the receiving Party on a non-confidential basis from a person who, to the receiving Party's knowledge, is not bound by a confidentiality agreement with the disclosing Party or otherwise prohibited from disclosing the information to the receiving Party;
 - (d) the receiving Party is required to produce by any court, governmental or regulatory body or pursuant to any law, legal process, regulation, or governmental order, decree or rule, or which is necessary or desirable for the receiving Party to disclose in connection with any proceeding in any court or tribunal or before any regulatory authority in order to preserve its rights, provided that the receiving Party provides prior written notice to the disclosing Party of its intention to do so and in such case give the disclosing Party the ability to assert its privileges and immunities to prevent or protect the disclosure of such information, and cooperate with the disclosing Party in protecting against any such disclosure;
 - (e) the Parties agree in writing is not confidential or may be disclosed; or
 - (f) is developed by or for the receiving Party independently of the information disclosed by the disclosing Party.

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- 25.04 No Party shall use the other Party's Confidential Information for any purpose other than to exercise its rights and perform its obligations under or in connection with this Agreement, without obtaining the prior written consent of the other Party.
- 25.05 Pursuant to the Information Disclosure Policy (in the case of the GCF) and in accordance with the access to information policy of the Accredited Entity (in the case of the Accredited Entity), but subject to Clause 25.01, each Party may make publicly available certain information which is not described and/or marked confidential, including Concept Notes, Funding Proposals and other information relating to proposed projects, programmes and investments and Funded Activities, and may update such information periodically as required by the Information Disclosure Policy. Each Party undertakes not to make publicly available any other Party's Confidential Information without the prior written consent of the other Party.
- 25.06 If requested by the disclosing Party, the receiving Party shall return to the disclosing Party all Confidential Information in written form or destroy or (to the extent technically practicable) permanently erase all Confidential Information provided to the receiving Party in written or electronic form save to the extent that Confidential Information which the receiving Party is required to retain by applicable law, rule or regulation, or if such information is contained in any computer records or files which have been created pursuant to the receiving Party's automatic archiving and back-up procedures, in which case, the Confidential Information retained shall continue to be kept confidential in accordance with the terms of this Clause 25.
- 25.07 The Accredited Entity acknowledges that this Clause 25 covers all Funded Activities to be proposed or developed pursuant to this Agreement, as well as all Funded Activities, and that the Fund will not enter into any specific non-disclosure or confidentiality agreements for any such projects, programmes, investments or Funded Activities.
- 25.08 The Parties agree that this Agreement and each Funding Proposal (including Term Sheet, excluding any Confidential Information) will be disclosed in accordance with their respective information disclosure policies and procedures.
- 25.09 Notwithstanding Clauses 25.02, 25.03 and 25.05 above, the information provided under Clauses 9.03(b) above shall be subject to the terms of confidentiality accompanying such information, and the Fund shall not disclose such information outside the office to which the information is provided, unless: (a) prior written consent has been obtained from the Accredited Entity; or (b) the Fund is ordered to do so by a competent judicial or law enforcement authority and the Fund decides it must comply with such order after consulting with the Accredited Entity. Subject to the foregoing, if the Fund is not able to commit to keep such information confidential, then the Fund, prior to receiving such information, shall inform the Accredited Entity accordingly.

Clause 26 Privileges and Immunities

- 26.01 The Accredited Entity acknowledges the request by the Board to the Secretariat to develop for its consideration and approval a template bilateral agreement that would provide privileges and immunities in countries in which the Fund operates for the Fund and its operations, members of the Board, consultants, and other persons affiliated with the Fund, as well as its Staff.

Clause 27 Non-waiver of Privileges and Immunities

27.01 The Parties acknowledge and accept that they are accorded certain privileges, immunities, and exemptions as are necessary for the fulfilment of their purposes, and that the Staff of the Accredited Entity and the Staff and Experts of the Fund similarly enjoy such privileges, immunities, and exemptions as are necessary for the independent exercise of their official functions. Nothing in or related to this Agreement or any FAA may be construed as a waiver, express or implied, of the privileges, immunities and exemptions accorded to the Parties under the Governing Instrument, the Agreement between the Republic of Korea and the Fund concerning the Headquarters of the Fund, the Agreement Establishing the Inter-American Investment Corporation, international law, including international customary law, any international conventions, treaties or agreements, or any other applicable laws or agreements.

Clause 28 Governing Law

28.01 This Agreement shall be governed by public international law.

28.02 For the purposes of resolving any dispute, controversy or claim arising out of or in relation to this Agreement, in applying public international law, sources shall be taken for these purposes to include:

- (a) any relevant treaty obligations that are binding reciprocally on the Parties;
- (b) the provisions of any international conventions and treaties (whether or not binding directly as such on the Parties) generally recognized as having codified or ripened into binding rules of customary law applicable to states and international institutions, as appropriate;
- (c) other forms of international custom, including the practice of states and international institutions of such generality, consistency and duration as to create legal obligations; and
- (d) applicable general principles of law.

28.03 The governing law for the Subsidiary Agreements may be agreed by the parties thereto.

Clause 29 Enforceability and Arbitration

Enforceability

29.01 The rights and obligations of the Parties under this Agreement shall be valid and enforceable in accordance with its terms, notwithstanding the law of any state or political subdivision thereof to the contrary.

Arbitration

29.02 The Parties will attempt in good faith to resolve any dispute, controversy or claim arising out of or in relation to this Agreement through negotiations between a duly authorized senior representative of each of the Parties with authority to settle the relevant dispute. If the dispute, controversy or claim cannot be settled amicably within one hundred and twenty (120) days from the date on which either Party has served written notice on the other of the dispute, then Clause 29.03 shall apply.

29.03 Any dispute, controversy or claim arising out of or relating to this Agreement, or the breach, termination or invalidity thereof, that has not been resolved through negotiation

pursuant to Clause 29.02 above, shall be settled by arbitration in accordance with the UNCITRAL Arbitration Rules, and:

- (a) the appointing authority shall be the Secretary-General of the PCA;
- (b) the number of arbitrators shall be three;
- (c) the place of arbitration shall be London, the United Kingdom;
- (d) the language to be used in the arbitral proceedings shall be English;
- (e) the arbitration decision shall be final and binding on the Parties and there shall be no appeal, and each Party undertakes to comply with and to carry out any such arbitral decision fully and without delay; and
- (f) the arbitration panel shall not award punitive damages.

Clause 30 Waiver

30.01 No delay in exercising, or omission to exercise, any right, power or remedy accruing to a Party under this Agreement upon any default shall impair any such right, power or remedy or be construed to be a waiver thereof or an acquiescence in such default. No action of such Party in respect of any default, or any acquiescence by it in any default, shall affect or impair any right, power or remedy of such Party in respect of any other or subsequent default.

Clause 31 Notices

31.01 Any notice, request, document, report, or other communication submitted by either the Accredited Entity or the Fund shall, unless expressly specified in this Agreement or an FAA, be in English and delivered by courier or by facsimile or email to the Party to which it is required or permitted to be given or made to the following addresses:

For the Accredited Entity

Division Chief, Financial Products and Services Division

Address: 1350 New York Avenue, NW
Washington, DC, 20577
United States of America

Email: FNP-BF@iadb.org

With copy to:

Manager, Office of Outreach and Partnerships

Address: 1300 New York Avenue, NW
Washington DC, 20577
United States of America

Fax: +1 202 623 3096

Email: partnerships@iadb.org

For the Fund

Deputy Executive Director, Office of the Executive Director

Address: 175, Art Center-daero
Yeonsu-gu, Incheon 22004
Republic of Korea

Fax: +82 32 458 6094

Email: entities@gcfund.org

Clause 32 Miscellaneous

32.01 **Country Ownership.** The Accredited Entity will endeavour to use its good offices to promote the status of the Fund in the Host Country and foster country ownership, taking into account all relevant circumstances.

32.02 **Limitations of Parties' Liability**

(a) The Parties will be responsible only for performing the obligations that are specifically set forth in this Agreement (or any FAA);

(b) The Accredited Entity (including the Staff of the Accredited Entity) shall not be responsible or liable for any financial losses or damages caused to the Fund other than resulting from material breach of this Agreement or any FAA by the Accredited Entity (including by the Staff of the Accredited Entity). Notwithstanding anything herein, the Accredited Entity's liability, if any, to the Fund hereunder shall not extend to any indirect, punitive or consequential damage, loss of profit or loss of opportunity; and

(c) Any liability of the Fund under this Agreement or under an FAA shall be strictly limited to the amount approved by the Board for the relevant Funded Activity and the fees for the Accredited Entity for that Funded Activity, as agreed and detailed in the relevant FAA. The Fund (including its members of the Board, Staff, Experts and Fund Agent) shall not be responsible or liable for any losses, damages or injuries caused to any third party under a Funded Activity, solely and exclusively resulting from the acts, omissions or negligence of or breach of this Agreement or any FAA by the Accredited Entity's employees, directors, officers, agents, and representatives. The Accredited Entity (including the Staff of the Accredited Entity) shall not be responsible or liable for any losses, damages or injuries caused to any third party under a Funded Activity, solely and exclusively resulting from the acts, omissions or negligence of or breach of this Agreement or any FAA by the Fund (including its members of the Board, Staff, Experts and Fund Agent).

32.03 **Claims.** Without prejudice to the Accredited Entity's privileges and immunities and within the limits of its applicable policies and procedures, in the event of any claims arising out of, or resulting from, the implementation of Funded Activities which may be brought by third parties against the Fund, including its members of the Board, Staff and Experts, or the Accredited Entity and the Staff of the Accredited Entity, the Parties shall cooperate in the handling of such claims by consulting with each other, sharing information and using reasonable efforts to ensure that the Parties undertake their own defense against such claims in a coordinated manner.

32.04 **Trustee.** Without prejudice to Clause 7.01, the GCF Proceeds made available to the Accredited Entity may be disbursed from the Trust Fund. All of the obligations of the Fund under this Agreement are obligations of the Fund, and the Trustee has no personal liability for the obligations of the Fund under this Agreement.

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- 32.05 **Changes to Policies and Procedures.** If during the term of this Agreement the Fund intends to revise any of its rules, policies, or procedures (including without limitation the Standards) and such change is material, or intends to adopt new rules, policies, or procedures by a Decision that, in the Fund's opinion, applies to the Accredited Entity, then:
- (a) the Fund shall so notify the Accredited Entity and allow the Accredited Entity a reasonable period of time to provide its comments to the proposed revision or adoption. The Fund may take any comments received from the Accredited Entity into account when finalising the proposed revision or adoption;
 - (b) upon the relevant Decision, the Fund shall notify the Accredited Entity. The receipt of such notice shall require the Accredited Entity to (i) take any necessary or appropriate action; or (ii) inform the Fund that it is unable or unwilling to, through the compliance with the Accredited Entity's own policies and procedures, comply fully or partially with the rules, policies and procedures of the Fund as revised or adopted (the "Revisions") from a date that is one hundred and eighty (180) days following such notice; and
 - (c) in case of Clause 32.05(b)(ii), the Parties will consult with each other with the aim of resolving such matter within a reasonable period (which will be not less than one hundred and twenty (120) days) before the Accredited Entity's Accreditation may be deemed to have lapsed and Clause 22.02 shall apply.

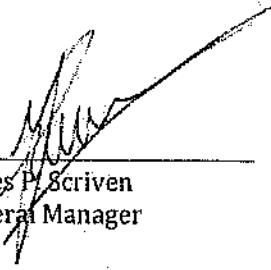
For the avoidance of doubt, the relevant Revision(s) shall apply only to new Funding Proposals.

- 32.06 **Assignment/Novation.** Except as otherwise provided in this Agreement or an FAA, neither Party will be entitled to assign or otherwise transfer its rights and obligations under this Agreement, in full or in part, without the prior written consent of the other Party, which consent may not be unreasonably withheld.
- 32.07 **Use of Logos or Trademarks.** The Accredited Entity shall not use the name, abbreviation, logo or any trademarks of the Fund other than as provided for in Clause 24 or unless the Fund has provided prior consent in writing to such use. The Fund shall not use the name, abbreviation, logo or any trademark of the Accredited Entity unless the Accredited Entity has provided prior consent in writing.
- 32.08 **Execution in Counterparts.** This Agreement may be executed in several counterparts, each of which shall be an original.
- 32.09 **Rights of Third Parties.** This Agreement is intended solely for the benefit of the Parties and is not intended to be for the benefit of, nor may any provision be enforced by, any person or entity that is not a Party to this Agreement. Any other statute or law to the contrary is hereby excluded or disappplied.
- 32.10 **Entire Agreement.** This Agreement constitutes the entire agreement and understanding of the Parties with respect to its subject matter and supersedes all oral communication and prior writings with respect thereto, other than those writings expressly referred to or incorporated into this Agreement and/or any FAA entered into hereunder.
- 32.11 **Modification or Amendment.** No modification or amendment of this Agreement shall be valid unless in writing and signed by an authorized representative of the Fund and an authorized representative of the Accredited Entity. Other than as contemplated by Clause 1.02 of this Agreement, no modification or amendment to this Agreement shall be made in an FAA.

32.12 ***Survival of Clauses.*** Clause 4.20, Clause 13.03, Clause 15.01(c), Clause 25, Clause 26, Clause 27, Clause 28, Clause 29, Clause 31.01, Clause 32.02, Clause 32.03, Clause 32.05 and this Clause 32.12 shall, unless explicitly provided otherwise, survive for a period of ten (10) years after the termination of this Agreement. Furthermore, with respect to Clause 22.03, those Clauses of this Agreement necessary and suitable to achieve the objective of the relevant Funded Activities shall also survive for a period of ten (10) years after the termination of this Agreement.

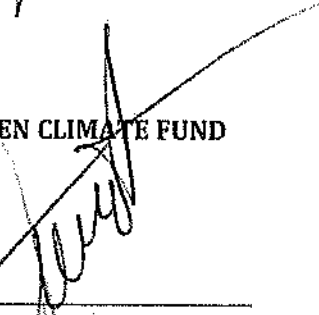
IN WITNESS WHEREOF the parties hereto, acting through their representatives thereunto duly authorized, have caused this Agreement to be signed in their respective names as of the day and year first above written and to be delivered at the principal office of the Fund.

INTER-AMERICAN INVESTMENT CORPORATION

By 
James P. Scriven
General Manager

Date 06/29/2021

GREEN CLIMATE FUND

By 
Javier Manzanares
Deputy Executive Director

Date 6/30/2021

Annex 1 - Term Sheet

[Note: This is not a template. Sample provisions are set out below for information purposes only.]

This Term Sheet, together with the Funding Proposal [and schedules and annexes] attached hereto, as agreed by the Green Climate Fund (“Fund”) and [the Accredited Entity], shall be reflected in the Funded Activity Agreement to be entered into by the Fund and [the Accredited Entity] in due course. The Parties acknowledge that such Funded Activity Agreement shall also incorporate the terms and conditions of the Accreditation Master Agreement dated [insert date] entered into by the Parties (the “Agreement”) and, as such, any derogation, modification or deviation from those terms is set out below.

Project/Programme Activity Information

1. GCF [Project/Programme Name]
Description:
[Objectives, etc.]
2. Implementation Arrangements
3. Total Amount to be Disbursed by the Fund / Form of Financing (grant, loan, equity, guarantee)
4. Components and Financing (by source)
5. Cost/Budget Breakdown
6. Disbursement Schedule
7. Permitted reallocation pursuant to Clause 11.02 of the Agreement
8. Reporting Period
9. Project Calendar

Milestones	Timing
Start of [Project][Programme] Implementation	FAA effective date
Inception Report	Within six (6) months of the FAA effective date
Independent Interim Evaluation Report	Within three (3) months after Year [*]
End of [Project][Programme] Implementation	[*] years after the FAA effective date (“Completion Date”)
[Project][Programme] Completion Report	Within six (6) months after Completion Date
Independent Final Evaluation Report	Within [three (3)][six (6)] months after submission of [Project][Programme] Completion Report

10. Conditions to be met prior to the execution of the FAA
[Insert conditions here]
11. Conditions for Effectiveness of the FAA
[Insert conditions here]
12. Conditions for Disbursement under the FAA
[Insert conditions here]

-
13. Details of Fund Agent
 14. GCF Account
[Bank]/[Ledger]
 15. Account Details
 16. GCF Holding Currency of Disbursements:
[USD]/[JPY]/[EUR]/[GBP]
 17. ESS, public disclosure and procurement compliance
 18. Financial Reporting and Accounting Currency:

[FOR GRANTS]

19. [Key terms and conditions, including but not limited to:
 - (a) Accredited Entity fee,
 - (b) [repayment contingency terms.]
20. Events of Default (additional to those set out in Clause 19)
21. Remedies/Consequences of Default (additional to those set out in Clause 20)

[FOR LOANS]

22. [Key terms and conditions, including but not limited to:
 - (a) repayment period,
 - (b) grace period,
 - (c) pricing (interest, etc.),
 - (d) when interest/principal repayable (semi-annually, etc.),
 - (e) currency of repayment of principal/interest,
 - (f) amortization schedule,
 - (g) Accredited Entity fees,
 - (h) taxes.
23. Events of Default (additional to those set out in Clause 19)
24. Remedies/Consequences of Default (additional to those set out in Clause 20)
25. Right of GCF to assign/transfer rights
26. [Acceleration]

[FOR EQUITY]

27. [Key terms and conditions including]
 - (a) conditions for investment (e.g. completion of due diligence)
 - (b) additional agreements to be entered into
 - (c) representations and warranties given to GCF
 - (d) conditions to completions
 - (e) corporate issues e.g.

-
- (1) appointment of directors
 - (2) number of GCF directors
 - (3) matters requiring GCF consent
 - (f) GCF obligations to maintain shareholding
 - (g) rights of GCF to exit investment, sell down, assign and/or transfer shares
 - (h) Accredited Entity fees
 - (i) costs
 - (j) taxes
 - (k) accounting, business plan and information rights
28. Events of Default (additional to those set out in Clause 19)
29. Remedies/Consequences of Default (additional to those set out in Clause 20)

[FOR GUARANTEES]

30. [Key terms and conditions including]
- (a) form of guarantee – [Comprehensive][Partial Risk][Partial Credit][Policy Based]
 - (b) beneficiary
 - (c) condition of a counter-guarantee from beneficiary
 - (d) obligations covered by guarantee [different for risk and credit guarantees]
 - (e) [value of guarantee/exposure of Fund under guarantee]
 - (f) length of guarantee
 - (g) currency of payments under guarantee
 - (h) procedures for making a claim under guarantee
 - (i) Accredited Entity fees
31. Right of GCF to assign/transfer rights
32. Events of Default (additional to those set out in Clause 19)
33. Remedies/Consequences of Default (additional to those set out in Clause 20)

Attachments:

Annex 2 - Conditions

1. The Board adopted the following conditions in paragraph 98(b) of annex XX in document GCF/B.21/17 and in its Decision B.21/16 Accrediting the Accredited Entity:
 - (a) Condition to be met prior to the submission of the first funding proposal to the Board:
 - (i) Provision of evidence by the applicant of the adoption of a register to receive and address external comments, complaints and inquiries on E&S matters for GCF-funded Projects/Programmes.
2. Conditions Precedent to Disbursement:
 - (a) Delivery of a Request for Disbursement, signed by the person or persons authorized to do so, within a timeframe that is acceptable to the Fund;
 - (b) Delivery of evidence, satisfactory to the Fund, of the authority of the person or persons authorized to sign each Request for Disbursement and the authenticated specimen signature of each such person; and
 - (c) Any other such documents and other evidence in support of each Request for Disbursement as the Parties shall specify in the FAA.

Annex 3 - Accreditation for Fiduciary Standards

1. The Board has Accredited the Accredited Entity for the following specialized fiduciary standards set out in the Fiduciary Principles and Standards:
 - (a) Part 2.1 relating to the specialized fiduciary standards for project management;
 - (b) Part 2.2 relating to the specialized fiduciary standards for grant award and/or funding allocation mechanisms; and
 - (c) Part 2.3 relating to the specialized fiduciary standards for on-lending and/or blending (for loans, equity and guarantees).

Annex 4 - Accreditation for Environmental and Social Safeguards

1. The Board has Accredited the Accredited Entity to carry out Funded Activities that fall within the following Environmental and Social Risk Categories:
 - (a) High risk (Category A/Intermediation 1 (I-1)), including lower risk (Category B/Intermediation 2 (I-2) and Category C/Intermediation 3 (I-3)).

Annex 5 - Accreditation for Size of Project

1. The Board has Accredited the Accredited Entity to carry out GCF Projects and activities within GCF Programmes for the following sizes: up to and including Large-sized Activities.

Annex 6 - Request for Disbursement

[[RECIPIENT]/[BORROWER]'S LETTERHEAD]

Green Climate Fund
175, Art Center-daero
Yeonsu-gu, Incheon 22004
Republic of Korea
Attn: [CFO]

[DATE]

Ref: Request for Disbursement – [AGREEMENT] No. [X] - Request for Disbursement [No. [____]]

Ladies and Gentlemen:

1. Reference is made to the [AGREEMENT] dated as of [DATE] (the “Agreement”) between [ADD NAME OF RECIPIENT/BORROWER] (the “[Recipient]/[Borrower]”) and the Green Climate Fund (“GCF”). Capitalized terms used but not defined in this request have the meanings assigned to them in the Agreement. The rules of interpretation set forth in Clause [X] (NAME OF CLAUSE) of the Agreement shall apply to this request.
2. The [Recipient]/[Borrower] irrevocably requests disbursement on [DATE] (or as soon as practicable thereafter) of the amount of [_____] [CURRENCY] under the Agreement (the “Disbursement”), in accordance with Clause [X] (NAME OF CLAUSE) of the Agreement. GCF is requested to pay such amount to the Account No. _____, [SWIFT/ABA] at [name and address of bank] in [city and country].
3. The [Recipient]/[Borrower] certifies that all the conditions precedent set forth in Clause [X] (NAME OF CLAUSE) of the Agreement have been satisfied.
4. The [Recipient]/[Borrower] further certifies that the proceeds of all Disbursements shall be applied only for the purpose described in Clause [X] (NAME OF CLAUSE) of the Agreement.
5. The above certifications are effective as of the date hereof and shall continue to be effective as of the date of Disbursement for this Disbursement. If any certification is no longer valid as of or prior to such Disbursement, the [Recipient]/[Borrower] will notify GCF immediately and, on demand, repay the Disbursement (or any portion thereof) if the Disbursement is made prior to GCF’s receipt of such notice.
6. The [Recipient]/[Borrower] acknowledges hereby that the total amount of funds disbursed under the Agreement up to the current date, without considering the funds to be disbursed under this request, is [_____].

Yours truly,
[X]

By: _____
Authorized Representative

By: _____
Authorized Representative

Annex 7 - Certificate

[ACCREDITED ENTITY'S LETTERHEAD]

Green Climate Fund
175, Art Center-daero
Yeonsu-gu, Incheon 22004
Republic of Korea

[PLACE][DATE]

Attn: [Deputy Executive Director, Office of the Executive Director]

Subject: Accreditation Master Agreement between the Inter-American Investment Corporation and the Green Climate Fund ("GCF")

Dear Madam, Sir,

I am [*name, title and qualified jurisdiction*], acting for the **Inter-American Investment Corporation** ("Accredited Entity"), and in such capacity duly authorized to issue this legal opinion in relation to the Accredited Entity in accordance with the requirements of Clause 2.02 of the Accreditation Master Agreement entered into between the Accredited Entity and the GCF dated [*date*] ("Agreement").

For the issuance of this legal opinion, I have reviewed:

- (a) a copy of the Agreement;
- (b) the Articles of Agreement of the Accredited Entity;
- (c) the approval of the Accredited Entity's Board of Executive Directors; and
- (d) [*insert any other relevant documents*].

I am of the opinion and confirm that the Agreement entered into by the Accredited Entity:

- (a) has been duly authorized or ratified by all necessary corporate actions; and
- (b) has been duly executed and delivered on behalf of the Accredited Entity.

Yours faithfully,

Name:
Title:

Annex 8 - Letter

[ACCREDITED ENTITY'S LETTERHEAD]

Green Climate Fund
175, Art Center-daero
Yeonsu-gu, Incheon 22004
Republic of Korea

[PLACE][DATE]

Subject: Internal Approval to Implement Proposed Funded Activity

Dear Madam, Sir,

I am [*name and title*], acting for the **Inter-American Investment Corporation** ("Accredited Entity"), and in such capacity duly authorized to issue this letter in accordance with the Accreditation Master Agreement, dated _____ entered into between the Accredited Entity and Green Climate Fund ("Agreement").

For the issuance of this letter, I have reviewed:

- (a) [*insert relevant corporate documents or governing instruments of the Accredited Entity*];
- (b) [*insert relevant approval documents, e.g. board resolution*]; and
- (c) [*insert all relevant documents relating to the proposed funded activity* (the "Funded Activity")].

I hereby confirm that:

- (a) all required internal approvals have been obtained by the Accredited Entity to undertake the Funded Activity, as adopted by [*insert the name of appropriate approving body/authority*] in approval dated [*day/month/year*]; and
- (b) the Accredited Entity has the capacity and authority to undertake its obligations related to the proposed Funded Activity in accordance with the Agreement.

Yours faithfully,

Name:

Title: