

## **Annex 9. Legal due diligence (regulation, taxation and insurance)**

There are no applicable licenses or permits for the implementation of the project. Regulations promoting the protection of natural resources and biodiversity - such as the Law for the protection and improvement of the environment (Decree 68-86), Protected Areas Law (Decree 4-89)- are relevant for the implementation of the proposed project activities in those cases where they occur in the vicinity of protected areas.

For activities relating to procurement of services through FAO, according to Project Agreement signed with the Government of Guatemala, taxes are not applicable. Section 7 of the Convention on the Privileges and Immunities of the United Nations provide, *inter alia* that the United Nations and its subsidiary organs are exempt from all direct taxes, except for utilities services, and is exempt from customs duties and charges of a similar nature in respect of items imported or exported for its official use.

Any tax liability that may be incurred by the co-financing entities will be covered through their own resources: no GCF proceeds will be used for the payment of taxes.

Insurance coverage for project equipment, when required under the United Nations Security Risk Management System, is included under project budget and provides coverage up to project completion.

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