

Simplified Approval Process

Annex 9a: Legal due diligence



9.A Legal Due Diligence

Mexico City, October 22th, 2020

Green Climate Fund (GCF)

Subject: Legal Due Diligence Mexico Restoration for Climate Change Adaptation (RIOS) Project

On behalf of the Mexican Fund for the Conservation of Nature (FMCN), as a direct access entity accredited by the GCF, I am pleased to confirm that the arrangements of the Restoration for Climate Change Adaptation (RIOS) Project (P131709) proposal to the GCF for a US\$ 9,000,000 contribution by GCF comply with our due diligence procedures.

RIOS aims to increase the adaptive capacity in watersheds vulnerable to climate change through river restoration and connectivity by: (i) conducting restoration, conservation and improved productive activities, implemented by local organizations in the states of Jalisco and Veracruz, (ii) increasing local monitoring capacities to reduce climate vulnerability, (iii) catalyzing public and private climate-smart investments; and (iv) supporting the development of climate policy in a National River Restoration Strategy.

- a) Details of any government or regulatory approvals, licenses or permits required for implementing and operating the project/programme, the relevant issuing authority, and the date of issuance or expected date of issuance**

RIOS will work on the riparian area along rivers only in lands owned by producers willing to participate in project activities. No additional permits are required.

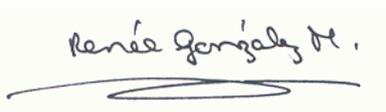
- b) Describe applicable taxes (or exemptions thereof) and foreign exchange regulations related to the project/programme:**

The Direct Access Entity, the Mexican Fund for the Conservation of Nature (FMCN), expects to provide grants to organizations with tax exempt status, thus these transfers are not subject to taxes. Procurement and services will cover sales and service taxes. Regarding currency exchange, FMCN would appreciate that GCF deposits in USD. FMCN will then transfer to Mexican pesos seizing opportunities for best exchange rate to cover expenses as flow of funds is required for optimal implementation.

- c) Details of any insurance policies or requirements related to the project/programme.**

Assets that require insurance (e.g. drones, laptops) will have the corresponding insurance.

Sincerely,



Renée González Montagut
General Director