

9.A Legal Due Diligence

Please provide the following information:

- *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.*

In the implementation of the project, the existing coastal areas will be modified to recover / protect the residents and their lives against the climate impact. To implement a construction work, approvals for environmental impact assessment by ME will be required before commencement of the construction work. Also, the permissions for closing the construction area by local councils, approvals for project license by MNPI, permission for importing the construction equipment by Customs and, if applicable, permission for UAV operation at the restricted area by Civil Aviation Authority and Maldives National Defense Force will be required. These permissions are applied via submission of application letters, according to the progress of the activities.

In the execution of the Funding Activity Agreement with GCF, JICA as AE shall secure authorization from the Government of Japan / Ministry of Foreign Affairs of Japan to negotiate and sign the FAA in accordance with the Accreditation Master Agreement (AMA) on May 17 2018.

As the project is a government project, regulatory approval, licenses or permits are not required. MEE as well as the other concerned government agencies play each of their roles according to their legal mandate.

ME, as the EE, is a ministry of the GoM and has the capacity to enter into contract on its own name. Pursuant to the letter number 1-CBO(PAR)/438/2019/43 (26 March 2019) on the Responsibility of the Ministry of Environment and Energy.

MEE will be the EE and will lead the Project's implementation, in coordination with MNPI, LGA, Laamu Atoll Council, NDMA, and MMS. JICA as AE will sign a Subsidiary Agreement with MEE to start implementing the project.

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

There is no foreign exchange regulations related to the project. VAT and other domestic taxes of goods/equipment directly procured/imported from other countries are expected to be exempted.

Since the Project is financed through GCF grant, no foreign exchange approvals are required for JICA to receive or transfer funds to/from GCF in USD.

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

To implement the Project which includes civil work and importation of equipment, ME recommends a comprehensive insurance plan which covers general liabilities, worker's compensation and commercial automotive insurance, which shall be secured in a form of bank guarantee commonly provided by contractors before the commencement of each activities.