

Annex 9

Legal Due Diligence

Project Title: *Scaling up the implementation of the Lao PDR Emission Reductions Programme through improved governance and sustainable forest land management (Project 2).*

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.

The Federal Republic of Germany has concluded Framework Agreements on Technical Cooperation dated 13th July 2007 and 7th June 2017 under international public law with the Government of Lao PDR, which provide for certain privileges and immunities to be applied in projects and programmes of technical cooperation, including exemptions for taxes, customs, duties and fees. The Implementation Agreement of the CliPAD (Climate Protection through Avoided Deforestation) project between GIZ and DoF (Department of Forestry, Ministry of Agriculture and Forestry) dated 17th June 2020 and the Amendment, dated 17th December 2021 serves as the basis for all privileges and immunities. GIZ will endeavour to reach arrangements to have these privileges and immunities also applied to Project 2, including GCF proceeds through an amendment to the Implementation Agreement. However, formal agreements will only be entered into after the project has been approved.

At the time of submitting this Funding Proposal, GIZ is not aware of the project requiring specific approvals, permits, licences or land to allow for the implementation of planned activities.

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

The local currency in Laos is the Lao KIP (code: LAK). The project's local transactions will use LAK. The AE will manage GCF proceeds in Euro. GIZ will apply its standard rates for the conversion of currency.

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

GIZ, as the AE, will ensure that project activities are adequately insured as per GIZ standard operating procedures and common practices. GIZ standard operating procedures require contractors to ensure required insurance cover. GIZ policies provide insurance cover for GIZ staff. At the time of submitting the Funding Proposal, GIZ does not anticipate additional insurance to cover special risks in this project.