

Simplified Approval Process

Annex 9a: Legal due diligence



GREEN
CLIMATE
FUND

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 Micronesia Conservation Trust, as the implementing entity, is accredited by the GCF for category C risk. Therefore (and also because this is a SAP proposal), none of the work proposed here involves activities that pose risks sufficient to trigger most government permitting and licensing requirements. This has been explored in detail though the Annex 12 (ESAP). There are no licenses or permits required for implementing the project.

MCT, PAN-Fund and MIMRA are separate legal entities under relevant local laws. They do not require approval by governments/cabinets for receipt of programme funds. MCT, PAN-Fund and MIMRA will receive funds directly into bank account under each organization's own name.

The activities proposed here are also in line with the normal operations of the relevant executing partners and will require no new permissions or permits.

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

Some income tax will be paid on salaries for project staff. There is no expectation that any equipment will be imported for the project. There are no other applicable taxes related to the project expected. As noted in Annex 13, the programme does not foresee any immovable assets financed as part of the programme. For the PAN-Fund, however, any assets with value of \$1,000 and over are subject to asset capitalization following PAN-Fund operational policies.

Each organization (MCT, PAN-Fund, MIMRA) transacts business with the US dollar and therefore there will be no foreign exchange implications.

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

There are no insurance policies or requirements related to the project.