

Annex 9

Legal Due Diligence: Regulation, Taxation and Insurance

GCF Funding Proposal

*Thai Rice:
Strengthening Climate-Smart Rice Farming*

April 2023

Version 1

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)
GmbH

Regulation, Taxation and Insurance

Privileges, immunities and taxation

The Federal Republic of Germany has concluded a Framework Agreement on Technical Cooperation under international public law with the Government of the Kingdom of Thailand (dated 17th February 1970), which provides for certain privileges and immunities to be applied in projects and programmes of technical cooperation, including long-term stay and work permits for seconded experts, exemptions for taxes, customs, duties, fees, etc.

GIZ will endeavour to reach an arrangement to have these privileges and immunities also applied to the Thai Rice Project, including GCF proceeds. This will be coordinated between the Thai International Cooperation Agency (TICA), responsible for facilitation of international cooperation in Thailand, on the one hand and GIZ / the German Embassy in Thailand on the other hand. A formal agreement will only be entered into after the Thai Rice Project has been approved by the GCF Board.

Approvals, permits and land

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

Currency

Thai Rice Project local transactions will use the Thai national currency, the Baht (THB). The AE will manage GCF proceeds in Euros. GIZ will apply its standard rates for the conversion of currency.

Insurance

GIZ, as the AE, will ensure that Thai Rice 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 in order to cover special risks in the Thai Rice Project.