



**GREEN
CLIMATE
FUND**

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Dushanbe, Tajikistan
Provisional agenda item 11

GCF/B.45/09
8 June 2026

Consideration of funding proposals: Extension of deadline in respect of FP224 (Renewstable Barbados Project)

Summary

This document presents a request for a third extension of the period to submit the certificate of internal approval by the accredited entity, which is a condition imposed by decision B.37/12 to approve FP224 (Renewstable Barbados Project).

I. Introduction

1. Funding proposal 224 (FP224), titled “Renewstable Barbados Project” (the “Project”), submitted by the International Finance Corporation (“IFC” or the “Accredited Entity”), was approved by the Board on 25 October 2023 through decision B.37/12 (the “Approval Decision”).
2. The Board approved the Project subject to the fulfilment of certain conditions included in the Approval Decision that are required to be met before the execution of the relevant funded activity agreement (“FAA”). At the time of Board approval, as the Accredited Entity itself had not obtained all of its final internal approvals for the Project, the conditions included *“Submission of a certificate or a legal opinion in a form and substance that is satisfactory to the GCF Secretariat, within 120 days after Board approval, or the date of effectiveness of the AMA entered into with the relevant accredited entity, whichever is later, confirming that the accredited entity has obtained all final internal approvals needed by it and has the capacity and authority to implement the proposed project”* (hereinafter the “Certificate”).
3. The Accreditation Master Agreement (“AMA”) became effective on 11 March 2025. The initial deadline for submission of the Certificate was 9 July 2025. At the request of the Accredited Entity, the Secretariat approved an extension to 6 November 2025. Subsequently, the Accredited Entity sought a further extension, which was approved by the Board under decision B.43/06, extending the deadline for submission of the Certificate until the day falling one (1) day after the last day of the forty-fifth meeting of the Board (B.45) (the “Current Deadline”). These extensions were required due to delays in obtaining certain Project documents and regulatory approvals, as further explained below.
4. On 29 May 2026, the Accredited Entity submitted a request for a further extension of the deadline for submission of the Certificate (the “Third Extension Request”). A copy of the Third Extension Request is set out in the limited distribution addendum to this document.

II. Reasons for the request for a further extension

5. In its Third Extension Request, the Accredited Entity has informed the Secretariat of continued delays affecting completion of its internal approval process. In particular:
 6. **Delays in tariff determination.** Tariff determination remains the final key step before the Power Purchase Agreement (“PPA”) can be negotiated and finalized and before the Accredited Entity can initiate its due diligence and internal approval process for financial close. The tariff determination process led by the Fair Trading Commission (“FTC”) has been delayed due to leadership changes, including the appointment of a new Chief Executive Officer and board members. FTC also required additional time to assess the Project’s innovative tariff-setting mechanism. In April 2026, FTC issued a Procedural Order initiating public consultations. By the 22 May 2026 deadline, FTC had received one Notice of Motion, which it is now under consideration.
 7. **Regulatory and legislative developments.** The introduction of the Electricity Supply Act 2024 required the adoption of a new licence template, delaying the formal issuance of the Independent Power Producer (“IPP”) licence, which is a prerequisite for tariff approval. The licence was issued on 19 May 2025. Only after the licence was granted could FTC proceed with the tariff application, as a valid licence is a mandatory prerequisite.
 8. **Innovative nature of the Project.** The Project’s baseload renewable energy technology required extensive technical consultations, including the completion of a connection impact assessment and iterative engagement with the utility and regulators.

9. The Accredited Entity informed the Secretariat that, despite these challenges, the Project has achieved key milestones, including obtaining the IPP licence, advancing stakeholder consultations, completing contractor selection and progressing negotiations of the PPA and interconnection agreements.

10. Renewable Barbados (“RSB” or the Project Sponsor) expects the finalization of the tariff between the end of June 2026 and the end of July 2026, enabling PPA negotiations and subsequent Accredited Entity due diligence and approvals. In the absence of firm timelines, the Accredited Entity assumes that these steps may take up to one year, noting that progress remains contingent on tariff finalization. No definitive timeline has been committed by FTC, the Ministry of Energy and Business or the Ministry of Finance, Economic Affairs and Investment.

11. Based on IFC experience, final approvals, including the certificate to initiate FAA negotiations, are typically obtained within three months following the establishment of the tariff, execution of the PPA, and preparation of an advanced engineering, procurement and construction draft. These milestones are expected to be achieved within nine months, although they remain outside the Accredited Entity’s control and may be subject to further delay.

III. Consequences of the request for a further extension

12. The Accredited Entity confirmed that the national designated authority of Barbados was informed of the extension request at the time of submission.

13. In submitting this document for Board consideration, the Secretariat confirms that all relevant requirements contained in paragraphs 11(a) to (c) of the Policy on Restructuring and Cancellation (the “Policy”) have been complied with.

14. If an extension is not granted and the Accredited Entity does not submit the Certificate by the Current Deadline, the Approval Decision will lapse.

IV. Secretariat’s assessment

15. The Secretariat notes that the Project has made substantial progress since Board approval, including the granting of the IPP licence and advancement of contractual and stakeholder processes.

16. There is strong commitment by RSB to implement the Project. Despite numerous challenges and delays, RSB has demonstrated sustained commitment by devoting significant time, resources and effort to advancing the process, securing the required government approvals and licences, and maintaining dialogue with all relevant stakeholders.

17. Moreover, during April 2026 the GCF Project Team undertook a mission to Barbados, during which it met with the national designated authority, regulators, Project sponsors and co-financiers. The GCF Project Team was reassured by the commitment shown to advancing the Project.

18. However, finalization of the tariff determination remains outstanding and is a key prerequisite for completion of the Accredited Entity’s internal approval process. As a result, additional time is required to allow IFC to complete its legal due diligence and submit the Certificate.

V. Determination of the extension period

19. Pursuant to paragraph 8 of the Policy, the duration of the extension period shall be determined by the Secretariat. In its Third Extension Request, IFC requested an extension of the deadline for submitting the Certificate until the date falling the day after the closing of B.48. To align with the request of the Accredited Entity and allow sufficient time for completion of the tariff determination and internal approval processes, the Secretariat recommends the Board to approve the extension of the submission deadline of the Certificate to the date falling one (1) day after the last day of B.48.

VI. Recommendation

20. The Secretariat recommends that the Board approve the draft decision presented in Annex I to extend the deadline for submission of the Certificate until the day which is one (1) day after the last day of the forty-eighth meeting of the Board.

Annex I: Draft decision of the Board

The Board, having considered document GCF/B.45/09, titled “Consideration of funding proposals: Extension of deadline in respect of FP224 (Renewstable Barbados Project)” and its limited distribution addendum Add.01:

Decides to extend until the day which is one (1) day after the last day of the forty-eighth meeting of the Board the deadline for the submission by the accredited entity of a certificate or legal opinion, in form and substance satisfactory to the Secretariat, confirming that the accredited entity has obtained all final internal approvals needed by it and has the capacity and authority to implement the proposed project for the following approved funding proposal:

- (i) FP224, titled “Renewstable Barbados Project”.
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