

Enhancing Sustainable Land Management and Climate-Resilient Agri-food Systems in Côte d'Ivoire (LARACI) Funding Proposal

Annex 20a: First level AML/CFT (KYC) assessment

2 June 2026

This Annex outlines the CGIAR System Organization's Anti-Money Laundering (AML) and Countering the Financing of Terrorism (CFT) Policy (see Annex 20b) and its application to the proposed Funded Activity (FA). As an Accredited Entity (AE), the CGIAR System Organization serves as the fiduciary responsible for implementing the Funded Activities (FA) in compliance with the Accreditation Master Agreement (AMA) and the Funded Activity Agreement (FAA) for the FA.

The CGIAR System Organization was accredited to GCF in 2018 with a condition by the Accreditation Panel of the GCF requiring the CGIAR System Organization to, prior to the signature of the Accreditation Master Agreement for completion of Stage III of the accreditation process, to “[d]evelop a Policy for AML/CFT and prohibited practices consistent with the GCF basic fiduciary standards, GCF AML/CFT Policy and the GCF General Principles on Prohibited Practices.” Accordingly, the CGIAR System Organization's AML/CFT policy was developed and satisfied the accreditation condition. Under the AMA, the CGIAR System Organization “shall apply its own fiduciary principles and standards relating to any 'know your customer' checks, AML/CFT, and financial sanctions imposed by the United Nations Security Council, which should enable it to comply with the Policy on Prohibited Practices and the principles of the AML/CFT Policy” (Clause 9.03(a)) and covenants that “the relevant policies of the Accredited Entity are substantially consistent with the principles of the AML/CFT Policy” (Clause 18.01(g)). The CGIAR System Organization will apply its AML/CFT policy to the “Enhancing Sustainable Land Management and Climate-Resilient Agri-food Systems in Côte d’Ivoire (LARACI)” Project.

The System Organization carries out supplier and grantee screening pursuant to its policies and uses WatchDog Elite platform to screen against sanctions. All counterparties involved in delivery (service providers/sub awardees, contractors, vendors/consultants, and beneficiaries receiving cash or high value assets (where applicable) are screened before onboarding/commitment as part of risk-based KYC; screening is against sanctions lists (including United Nations Sanction List, Dept of State-CISADA List, OFAC Sectoral Sanctions Identifications List, Office of Foreign Assets Control, Financial Action Task Force on Money Laundering, World Bank Ineligible Firms, European Union Sanction List, and Terrorist Exclusion List) , and no funds move before due diligence is complete. Screening outcomes (date, list(s), result, reviewer, decision) are recorded in the procurement/award files, aligned with the CGIAR System Organization's Procurement Policy referenced in the AML/CFT Policy. Where a potential or confirmed match indicates prohibited conduct or integrity risk, the matter is logged in the common case management system (Lighthouse) for the CGIAR System Organization's Ethics & Business Conduct (EBC) unit, preserving evidence, audit trail, and confidentiality.

Screening is refreshed whenever there are material changes (e.g., new or amended sub awards, contract novations, ownership/key personnel changes), in line with the AML/CFT Policy's periodic due diligence reviews and continuous risk-based approach. Suppliers and partners are re-screened on a regular basis each time there is a change in the list (or quarterly). These policies and practices will apply for the project implementation.

At the funding proposal development stage, the CGIAR System Organization has applied its KYC and sanctions screening on the EEs and the EEs' AML/CFT compliance and will conduct additional necessary screening and due diligence on the EEs until the funding proposal is considered by the

GCF Board and then quarterly, and whenever sanctions lists update. The EE capacity assessments were completed for FIRCA and AfricaRice in line with the AE processes with no financial management or fiduciary gaps identified. For pre-identified service providers, such as CIAT and IITA, these are entities that receive funding from CGIAR multi-donor trust fund that is administered by the World Bank and have been pre-screened and cleared with no risks or deficiencies relating to integrity identified.

Upon the approval of the Funding Proposal by the GCF Board, the AE will comply with the integrity obligations set out in GCF's Standard Conditions and will flow those obligations to the EEs, and will supervise and monitor through the Subsidiary Agreement that will be entered into between the CGIAR System Organization and each Executing Entity. Also, the LARACI Project Management Unit (PMU) and the AE will be responsible for ensuring adherence to this policy, addressing any unique risks, and providing continuous monitoring. Detailed roles and responsibilities are specified in the CGIAR System Organization Management Framework for GCF Funded Activities, an internal document of the AE.

Following the execution of the Subsidiary Agreements, the CGIAR System Organization will monitor the effective implementation of AML/CFT measures by the Executing Entities in all Fund-related Activities. The AE may suspend/terminate if a party becomes sanctioned or non-compliant during the course of the project. Immediate controls include pause onboarding/disbursements pending verification.

The project will launch and implement a dedicated stakeholder compliance training plan, which will be aligned with the GCF AML/CFT Standards and the CGIAR System Organization's AML/CFT Policy, and will cover (i) AML/CFT fundamentals and red flags, (ii) prevention of prohibited practices (fraud, corruption, etc.), (iii) reporting channels and non-retaliation, and (iv) record-keeping. The training plan will also leverage the GCF iLearn AML/CFT resources (<https://ilearn.greenclimate.fund/thematicarea/category?id=13>) for content and delivery. Training will be conducted at onboarding for all relevant stakeholders followed by an annual refresher (once per year), with targeted, risk-based sessions as needed.

CGIAR has established formal, systemwide channels for reporting compliance violations, including the independent Lighthouse whistleblowing hotline, which accepts both anonymous and identified reports. Suspected ML/TF or red flags are reported to the Director, Legal & Office Services (or via ethics@cgiar.org) for assessment; failure to report can result in disciplinary action. Sanctions related red flags can be reported via internal channels or the whistleblowing hotline; cases are logged in the common case management system, triaged by Center/System Organization EBC leads, overseen by Center/System Organization Audit, Finance and Risk Committee (AFRC), and escalated to the Integrated Partnership Board (IPB) AFRC or Assurance Oversight Committee (AOC) if conflicts/systemic risks arise; independent investigators may be commissioned, and donor disclosures are made where required—all with confidentiality, due process, and anti-retaliation protections. The CGIAR Integrated Partnership Policy on Whistleblowing and Protection from Retaliation, effective 11 December 2025, provides a uniform framework across all CGIAR Centers and the System Organization, guaranteeing confidentiality, due process, and strict protection from retaliation for anyone reporting misconduct in good faith.