Annex A: Proposal Submission form for Financial Intermediaries

**Guidance Note**

The commitment from the bank may be placed in an existing registered product with the Maldives Monetary Authority, or the Bank may propose to register a new product for the purposes of this proposal. Please provide the proposed product outline below. Banks may commit to design a sub-product with concessions altering an existing product’s parameters to fit the requirements of the programme.

**Proposal**

|  |  |
| --- | --- |
| Product Structure | Definition:Modus Operendi: |
| Product Features | Loan Tenure:Disbursement Timeline: Interest Rate:  |
| Lending Commitment | Please state below the amount commitment from the bank against the proposed product outline. *Bank Response: MVR*  |
| Risk Financing Request | Please state below the gross value requested by the bank for risk financing from the Joint Financing Facility.*Bank Response: MVR*  |
| Product Objectives | 1. Enhancing the availability of concessional financing for blue economy enterprises in start-up and expansionary phases in the Maldives.
2. Encouraging alignment of business practices with international and local sustainability standards.
3. Fostering growth of overall venture capital and start-up ecosystem in the Maldives, through innovation and productivity, to increase participation of private sector in Maldives development.
 |
| Use of Proceeds | In compliance with the list of eligible areas indicated under Section 1 of this Annex |
| Eligibility Criteria | In compliance with the list of eligible areas indicated under Section 1 of this Annex |

**Documentation Checklist**

1. Registration Certificate
2. Endorsement letter
3. Product approval from MMA (optional)

# Eligible Areas

|  |  |  |
| --- | --- | --- |
| **#** | **Sector** | **Description of eligible investments** |
| **1** | **Sustainable Agriculture** | Investments in sustainable agricultural practices and infrastructure to reduce chemical pollution, enhance climate resilience, promote regenerative farming, and support sustainable production, consumption, and livelihood opportunities. |
| **2** | **Sustainable Fisheries, Aquaculture, and Seafood Value Chain** | Investments in sustainable practices for fish harvesting, aquaculture, processing, and value addition to enhance resource efficiency, promote certification and traceability, and support equitable opportunities across the seafood value chain. |
| **3** | **Sustainable Tourism Services** | Investments in sustainable tourism initiatives that comply with Maldivian environmental standards, support ecosystem conservation and restoration, and promote inclusive livelihoods in marine and coastal areas. |
| **4** | **Water Supply and Sanitation** | Investments in innovative and sustainable water supply and sanitation solutions that enhance infrastructure, conserve resources, improve water quality, and ensure equitable access across industrial, commercial, residential, and island levels. |
| **5** | **Ocean-Friendly Production, Chemical, and Plastic Waste Management** | Investments in innovative and sustainable solutions for managing, reducing, recycling, and treating plastic pollution and chemical waste to protect waterways and oceans while promoting circular economy practices across industrial, commercial, residential, and island levels. |
| **6** | **Sustainable Sea Transportation and Port Sectors** | Investments in sustainable water, waste, and pollution management systems for shipping vessels, shipyards, and ports to enhance environmental protection, comply with international standards, and support sustainable maritime operations. |

# Scoring Criteria for financial intermediaries

* **Scoring Criteria**
	+ Leverage Rate 70%
	+ Discounted Interest Rate 30%
* **Score for the Leverage Rate** will be calculated against the highest leverage proposed. The scores will be calculated based on **relative performance scoring**, with the highest proposed leverage rate earning a score of 100%.

***Leverage rate*** = $\frac{lending commitment}{Risk Financing Request}$

* **Score for the Interest Rate** will be calculated against the lowest interest rate proposed. The scores will also be calculated based on **relative performance scoring**, with the lowest proposed interest rate earning a score of 100%.
* **Final scores** will be calculated as follows:

***Final score*** = $\left(0.7\*l\right)+(0.3\*i)$

l = relative score for the leverage rate proposed by the bank

i = relative score for the interest rate proposed by the bank

*Note: The Joint Financing Facility (JFF) reserves the right to introduce additional criteria at its sole discretion when assessing and ranking projects for funding consideration. Such criteria may be applied without prior notice and shall be deemed binding on all applicants.*

# Acknowledgements

On submission of this proposal and where the proposal is considered for funding, the bank agreed to:

* Introduce a concessional lending product using its own capital, as specified in this proposal submission form for the purpose of implementing the blended finance scheme under this initiative for the eligible sectors defined in section 8 of the information pack (Annex C) appended with this REOI.
* Vet the financial proposals submitted by applicants using the banks internal credit and risk processes to ensure they include a clear spending plan aligned with the objectives of the eligible sector and awareness on the lending product should be raised accordingly.
* Propose and agree with the JFF, the terms of the concessional lending products in exchange for receiving financial incentives from JFF.
* Facilitate easy application process for concessional loans issued by the Bank under this initiative.
* Monitor Social and Environmental risks of project beneficiaries to satisfy the Programming Principles and SES Risk Standards of the projects applying for concessional support under this initiative. Tentative templates for monitoring are available under Section 4 and 5 of this Annex respectively.

# Working Template - SES Programming Principles

Based on the business plan and project implementation plan of the proposed beneficiary, please indicate if any of the following risks may be anticipated under this project.

|  |  |  |
| --- | --- | --- |
|  |  |  |
|  **Thematic Area**  |  **Risk**  | **Yes/No** |
| **Standard 1: Biodiversity Conservation and Sustainable Natural Resource Management** |  \*  1.1 Adverse impacts to habitats (e.g. modified, natural, and critical habitats) and/or ecosystems and ecosystem services?    |   |
|  \*  1.2 Activities within or adjacent to critical habitats and/or environmentally sensitive areas?  |   |
|  \*  1.3 Changes to the use of lands and resources that may have adverse impacts on habitats, ecosystems, and/or livelihoods?    |   |
|  \*  1.4 Risks to endangered species?    |  |
|  \*  1.5 Exacerbation of illegal wildlife trade?    |   |
|  \*  1.6 Introduction of invasive alien species?    |   |
|  \*  1.7 Adverse impacts on soil?    |   |
|  \*  1.8 Harvesting of natural forests, plantation development, or reforestation?    |   |
|  \*  1.9 Significant agricultural production?    |   |
|  \*  1.10 Animal husbandry or harvesting of fish populations or other aquatic species?    |  |
|  \*  1.11 Significant extraction, diversion or containment of surface or ground water?    |   |
|  \*  1.12 Handling or utilization of genetically modified organisms/living modified organisms?    |   |
| **Standard 2: Climate Change and Disaster Risk** | \* 2.1 Areas subject to hazards such as floods, severe winds, storm surges?  |   |
| \* 2.2 Outputs and outcomes sensitive or vulnerable to potential impacts of climate change or disasters  |   |
| \* 2.3 Direct or indirect increases in vulnerability to climate change impacts or disaster risks now or in the future? |   |
| \* 2.4 Increases of greenhouse gas emissions or other drivers of climate change?  |   |
|  **Standard 3: Community Health, Safety and Security**  | \* 3.1 Construction and/or infrastructure development?  |   |
| \* 3.2 Air pollution, noise, vibration, traffic, injuries, physical hazards, poor surface water quality due to runoff, erosion, sanitation?  |   |
| \* 3.3 Harm or losses due to failure of structural elements of the programming activities?  |   |
| \* 3.4 Risks of water-borne or other vector-borne diseases (e.g. temporary breeding habitats), communicable and noncommunicable diseases, nutritional disorders, mental health?  |   |
| \* 3.5 Transport, storage, and use and/or disposal of hazardous or dangerous materials (e.g. explosives, fuel and other chemicals during construction and operation)?  |   |
| \* 3.6 Adverse impacts on ecosystems and ecosystem services relevant to communities' health (e.g. food, surface water purification, natural buffers from flooding)?  |   |
| \* 3.7 Influx of project workers to targeted areas?  |   |
|  **Standard 4: Cultural Heritage**  |  \* 4.1 Activities adjacent to or within a Cultural Heritage site?  |   |
| \* 4.2 Significant excavations, demolitions, movement of earth, flooding or other environmental changes?  |   |
| \* 4.3 Adverse impacts to sites, structures, or objects with historical, cultural, artistic, traditional or religious values or intangible forms of culture? |   |
| \* 4.4 Alterations to landscapes and natural features with cultural significance?  |   |
| \* 4.5 Utilization of tangible and/or intangible forms (e.g. practices, traditional knowledge) of Cultural Heritage for commercial or other purposes?  |   |
|  **Standard 5: Displacement and Resettlement**  | \* 5.1 Temporary or permanent and full or partial physical displacement (including people without legally recognizable claims to land)?  |   |
| \* 5.2 Economic displacement (e.g. loss of assets or access to resources due to land acquisition or access restrictions - even in the absence of physical relocation)?  |   |
| \* 5.3 Risk of forced evictions?  |   |
| \* 5.4 Impacts on or changes to land tenure arrangements and/or community-based property rights/customary rights to land, territories and/or resources?  |   |
|  **Standard 6: Labour and Working Conditions**  | \* 6.1 Working conditions that do not meet national labour laws and international commitments?  |   |
| \* 6.2 Working conditions that may deny freedom of association and collective bargaining?  |   |
| \* 6.3 Use of child labour?  |   |
| \* 6.4 Use of forced labour?  |   |
| \* 6.5 Discriminatory working conditions and/or lack of equal opportunity?  |   |
| \* 6.6 Occupational health and safety risks due to physical, chemical, biological and psychosocial hazards (including violence and harassment) throughout the project life-cycle?  |   |
|  **Standard 7: Pollution Prevention and Resource Efficiency**  | \* 7.1 The release of pollutants to the environment due to routine or non-routine circumstances with the potential for adverse local, regional, and/or transboundary impacts?  |   |
| \* 7.2 The generation of waste (both hazardous and non-hazardous)?  |   |
| \* 7.3 The manufacture, trade, release, and/or use of hazardous materials and/or chemicals?  |   |
| \* 7.4 The use of chemicals or materials subject to international bans or phase-outs?  |   |
| \* 7.5 The application of pesticides that may have a negative effect on the environment or human health?  |   |
| \* 7.6 Significant consumption of raw materials, energy, and/or water?  |   |

# Working Template - SES Risk Standards

Based on the business plan and project implementation plan of the proposed beneficiary, please indicate if any of the following risks may be anticipated under this project.

|  |  |  |
| --- | --- | --- |
| **Thematic Area**  |  **Risk**  | **Yes/No** |
| **Standard 1: Biodiversity Conservation and Sustainable Natural Resource Management** |  \*  1.1 Adverse impacts to habitats (e.g. modified, natural, and critical habitats) and/or ecosystems and ecosystem services?    |   |
|  \*  1.2 Activities within or adjacent to critical habitats and/or environmentally sensitive areas?  |   |
|  \*  1.3 Changes to the use of lands and resources that may have adverse impacts on habitats, ecosystems, and/or livelihoods?    |   |
|  \*  1.4 Risks to endangered species?    |  |
|  \*  1.5 Exacerbation of illegal wildlife trade?    |   |
|  \*  1.6 Introduction of invasive alien species?    |   |
|  \*  1.7 Adverse impacts on soil?    |   |
|  \*  1.8 Harvesting of natural forests, plantation development, or reforestation?    |   |
|  \*  1.9 Significant agricultural production?    |   |
|  \*  1.10 Animal husbandry or harvesting of fish populations or other aquatic species?    |  |
|  \*  1.11 Significant extraction, diversion or containment of surface or ground water?    |   |
|  \*  1.12 Handling or utilization of genetically modified organisms/living modified organisms?    |   |
| **Standard 2: Climate Change and Disaster Risk** | \* 2.1 Areas subject to hazards such as floods, severe winds, storm surges?  |   |
| \* 2.2 Outputs and outcomes sensitive or vulnerable to potential impacts of climate change or disasters  |   |
| \* 2.3 Direct or indirect increases in vulnerability to climate change impacts or disaster risks now or in the future? |   |
| \* 2.4 Increases of greenhouse gas emissions or other drivers of climate change?  |   |
|  **Standard 3: Community Health, Safety and Security**  | \* 3.1 Construction and/or infrastructure development?  |   |
| \* 3.2 Air pollution, noise, vibration, traffic, injuries, physical hazards, poor surface water quality due to runoff, erosion, sanitation?  |   |
| \* 3.3 Harm or losses due to failure of structural elements of the programming activities?  |   |
| \* 3.4 Risks of water-borne or other vector-borne diseases (e.g. temporary breeding habitats), communicable and noncommunicable diseases, nutritional disorders, mental health?  |   |
| \* 3.5 Transport, storage, and use and/or disposal of hazardous or dangerous materials (e.g. explosives, fuel and other chemicals during construction and operation)?  |   |
| \* 3.6 Adverse impacts on ecosystems and ecosystem services relevant to communities' health (e.g. food, surface water purification, natural buffers from flooding)?  |   |
| \* 3.7 Influx of project workers to targeted areas?  |   |
|  **Standard 4: Cultural Heritage**  | \* 4.1 Activities adjacent to or within a Cultural Heritage site?  |   |
| \* 4.2 Significant excavations, demolitions, movement of earth, flooding or other environmental changes?  |   |
| \* 4.3 Adverse impacts to sites, structures, or objects with historical, cultural, artistic, traditional or religious values or intangible forms of culture? |   |
| \* 4.4 Alterations to landscapes and natural features with cultural significance?  |   |
| \* 4.5 Utilization of tangible and/or intangible forms (e.g. practices, traditional knowledge) of Cultural Heritage for commercial or other purposes?  |   |
|  **Standard 5: Displacement and Resettlement**  | \* 5.1 Temporary or permanent and full or partial physical displacement (including people without legally recognizable claims to land)?  |   |
| \* 5.2 Economic displacement (e.g. loss of assets or access to resources due to land acquisition or access restrictions - even in the absence of physical relocation)?  |   |
| \* 5.3 Risk of forced evictions?  |   |
| \* 5.4 Impacts on or changes to land tenure arrangements and/or community-based property rights/customary rights to land, territories and/or resources?  |   |
|  **Standard 6: Labour and Working Conditions**  | \* 6.1 Working conditions that do not meet national labour laws and international commitments?  |   |
| \* 6.2 Working conditions that may deny freedom of association and collective bargaining?  |   |
| \* 6.3 Use of child labour?  |   |
| \* 6.4 Use of forced labour?  |   |
| \* 6.5 Discriminatory working conditions and/or lack of equal opportunity?  |   |
| \* 6.6 Occupational health and safety risks due to physical, chemical, biological and psychosocial hazards (including violence and harassment) throughout the project life-cycle?  |   |
|  **Standard 7: Pollution Prevention and Resource Efficiency**  | \* 7.1 The release of pollutants to the environment due to routine or non-routine circumstances with the potential for adverse local, regional, and/or transboundary impacts?  |   |
| \* 7.2 The generation of waste (both hazardous and non-hazardous)?  |   |
| \* 7.3 The manufacture, trade, release, and/or use of hazardous materials and/or chemicals?  |   |
| \* 7.4 The use of chemicals or materials subject to international bans or phase-outs?  |   |
| \* 7.5 The application of pesticides that may have a negative effect on the environment or human health?  |   |
| \* 7.6 Significant consumption of raw materials, energy, and/or water?  |   |