

15-Feb-2023

Mr. Astrit Istrefi
Chairman
Balkan Green Foundation
Str. Universiteti 36/2
Prishtina 10000
Kosovo

Re: GPSA Trust Fund Grant No. TF0C0461
Kosovo Green Action Project
Letter Agreement

Dear Sir:

In response to the request for financial assistance made on behalf of the Balkan Green Foundation (“Recipient”), a Civil Society Organization with legal personality duly registered in the public registry of civil associations of the Republic of Kosovo (“Member Country”), I am pleased to inform you that the International Bank for Reconstruction and Development and the International Development Association (“Bank”), acting as administrator of grant funds provided by multiple donors (“Donors”) under the Global Partnership for Social Accountability (“GPSA”) Multi-Donor Trust Fund (the “GPSA Trust Fund”), proposes to extend to the Recipient for the benefit of the Member Country, a grant from the GPSA Trust Fund in an amount not to exceed five hundred thousand United States Dollars (US\$500,000) (“Grant”) on the terms and conditions set forth or referred to in this letter agreement (“Agreement”), which includes the attached Annex, to assist in the financing of the project described in the Annex (“Project”).

This Grant is funded out of the GPSA Trust Fund for which the Bank receives periodic contributions from the Donors. In accordance with Section 3.02 of the Standard Conditions (as defined in the Annex to this Agreement), the Bank’s payment obligations in connection with this Agreement are limited to the amount of funds made available to it by the Donors under the abovementioned trust fund, and the Recipient’s right to withdraw the Grant proceeds is subject to the availability of such funds.

The Recipient represents, by confirming its agreement below, that it is authorized to enter into this Agreement and to carry out the Project in accordance with the terms and conditions set forth or referred to in this Agreement.

-2-February 10, 2023

Please confirm the Recipient's agreement to the foregoing by having an authorized official of the Recipient sign and date this Agreement, and returning one duly executed copy to the Bank. Upon receipt by the Bank of the countersigned copy, this Agreement shall become effective as of the date of its countersignature (Effective Date).

Very truly yours,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
AND
INTERNATIONAL DEVELOPMENT ASSOCIATION

By *Xiaoqing Yu*
Xiaoqing Yu
Country Director
Europe Western Balkans Country Unit
World Bank

AGREED:
BALKAN GREEN FOUNDATION (BGF)

By *Astrit Istrefi*
Authorized Representative
Name Astrit Istrefi
Title BGF's Chair of the Board
Date: 16-Feb-2023

Enclosures:

- (1) "International Bank for Reconstruction and Development and International Development Association Standard Conditions for Grant Financing Made by the Bank out of Trust Funds" dated February 25, 2019
- (2) Disbursement and Financial Information Letter of the same date as this Agreement, together with the "Disbursement Guidelines for Investment Project Financing", dated February 2017

**GPSA Trust Fund Grant No. TF0C0461
ANNEX**

**Article I
Standard Conditions; Definitions**

1.01. **Standard Conditions.** The Standard Conditions (as defined in Section 1.02 below) constitute an integral part of this Agreement.

1.02. **Definitions.** Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the Standard Conditions or in this Section:

- (a) “Anti-Corruption Guidelines” means, for purposes of paragraph 2 of the Appendix to the Standard Conditions, the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006, and revised in January 2011, and as of July 1, 2016.
- (b) “Civil Society Organization” or “CSO” means a legal entity that falls outside the public or for-profit sector, such as nongovernment organizations, not-for-profit media organizations, charitable organizations, faith-based organizations, professional organizations, labor unions, associations of elected local representatives, foundations, and policy development and research institutes; and “CSOs” means, collectively and indistinctively, more than one such CSO.
- (c) “Enabling legislation” means the registration No. 5200289-3, dated January 1, 2014, issued by the Member Country pursuant to which the Member Country certified that the Recipient is a non-governmental organization, duly registered in the public registry of civil association of the Member Country in accordance with Kosovo law No. 06/L-043 on Freedom Association in Non-governmental Organizations.
- (d) “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated September 2022, as the same may be amended from time-to-time in accordance with the provisions thereof, which sets out the material measures and actions that the Recipient shall carry out or cause to be carried out to address the potential environmental and social risks and impacts of the Project, including the timeframes of the actions and measures, institutional, staffing, training, monitoring and reporting arrangements, and any environmental and social instruments to be prepared thereunder.
- (e) “Environmental and Social Standards” or “ESSs” means, collectively: (i) “Environmental and Social Standard 1: Assessment and Management of Environmental and Social Risks and Impacts”; (ii) “Environmental and Social Standard 2: Labor and Working Conditions”; (iii) “Environmental and Social Standard 3: Resource Efficiency and Pollution Prevention and Management”; (iv) “Environmental and Social Standard 4: Community Health and Safety”; (v) “Environmental and Social Standard 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement”; (vi) “Environmental and Social Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources”; (vii) “Environmental and Social Standard 7: Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities”; (viii) “Environmental and Social Standard 8: Cultural Heritage”; (ix) “Environmental and Social Standard 9: Financial Intermediaries”; (x) “Environmental and Social Standard 10: Stakeholder

Engagement and Information Disclosure”; effective on October 1, 2018, as published by the Bank.

- (f) “Green Agenda” means the plan endorsed at the Berlin Summit in October 2020 by the Member Country along with other countries in the region that foresees joint actions toward achieving sustainable socio-economic development and green recovery of the entire region in the post-pandemic period.
- (g) “Green Forums” means forums intended to foster the stakeholder engagement in supporting the Green Agenda and to use accessible data to support climate and energy policies.
- (h) “Green Forum Commitments Papers” means a document outlining the set of recommendations agreed upon with targeted stakeholders during each Green Forum aimed at improving the implementation of the Green Agenda.
- (i) “Milestone” means each and any of the achievements set forth in the additional instructions that the Bank may specify by notice to the Recipient pursuant to Section 3.01 (iii) of this Annex.
- (j) “Operational Manual” means the manual, in form and substance acceptable to the Bank, to be prepared and adopted by the Recipient pursuant to Section 2.03 (e) of this Annex.
- (k) “Partner CSOs” means Levizja FOL (FOL Movement) and Open Data Kosovo (ODK), each a CSO with legal personality with an office in the Member Country that has an independent administrative and governance structure.
- (l) “Partner CSO Agreements” means the agreements to be entered into between the Recipient and each Partner CSO respectively, pursuant to the provisions of Section 2.03 (e) of this Annex, satisfactory to the Bank, as such agreements may be amended from time-to-time.
- (m) “Procurement Regulations” means, for purposes of paragraph 20 of the Appendix to the Standard Conditions, the “World Bank Procurement Regulations for IPF Borrowers”, dated November 2020.
- (n) “Standard Conditions” means the “International Bank for Reconstruction and Development and International Development Association Standard Conditions for Grant Financing Made by the Bank out of Trust Funds”, dated February 25, 2019, with the modifications set forth in the Appendix hereto.

Article II Project Execution

2.01. ***Project Objectives and Description.*** The objective of the Project is to contribute to improving accountability of the Member Country’s public institutions in the implementation of the Green Agenda. The Project consists of the following parts:

Part A. Development and Support for Collaborative Social Accountability in the Green Agenda

Assessing the current implementation status of the Green Agenda in the Member Country’s territory and set the stage for activities that will develop social accountability interventions to monitor its progress by: (a) carrying out research on the Green Agenda implementation in consultation with

key actors, including public entities, development partners, private sector, civil society, youth networks and climate / environmental journalists to solicit multiple perspectives on the implementation challenges identified and the proposed solutions; and (b) developing a Green Agenda online platform, through consultation meetings with main stakeholders responsible for collecting data and producing reports on issues related to climate and energy, to serve as a one-stop-shop for information and an ask-the-state feature to enable users to ask specific questions directly to line ministries regarding energy and climate issues.

Part B. Stakeholder Engagement and Capacity Building for Collaborative Social Accountability

Carrying out activities focused on implementing large-scale social accountability mechanisms and enhancing interventions to engage key stakeholders in delivering coordinated and data driven decisions, including: (a) collecting stakeholder feedback on Green Agenda progress and recommendations at the Green Forums; (b) developing the Green Forum Commitments Papers; (c) conducting capacity building activities such as training and interactive learning sessions for targeted groups thereby enhancing climate literacy and engagement; (d) organizing debate and training sessions with youth in selected municipalities to increase local visibility of green topics, with a national debate tournament as a final activity; and (e) storytelling with data to spur writing articles and blogs targeting issues and loopholes in environmental and government actions as well as issues showcased on the platform.

Part C. Project Management, Monitoring and Learning, and Knowledge Dissemination

Establishing an internal knowledge and learning process to regularly adjust and adapt Project implementation and generate knowledge and learning for external dissemination among key stakeholders, including: (a) setting up a steering committee to facilitate the effectiveness of collaborative social accountability and strengthen the stakeholder participation by regularly discussing corrective measures; (b) developing a monitoring, evaluation and learning plan to monitor the ongoing progress of Project implementation and measure Project impacts and outcomes; (c) engaging an independent evaluator to conduct mid-term and final evaluations of the Project, prepare semi-annual technical reports and provide support to the Project team to develop the adaptive management capacities of the Project; and (d) developing a knowledge dissemination plan to ensure learning products reach key internal and external target audiences.

2.02. ***Project Execution Generally.*** The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall carry out the Project in accordance with the provisions of: (i) Article II of the Standard Conditions; (ii) the Anti-Corruption Guidelines; and (iii) this Article II; and (iv) the Partner CSO Agreements; provided, however, that the Recipient shall retain sole fiduciary responsibility under the Project, including for procurement and financial management.

2.03. ***Institutional and Other Arrangements.*** Without limitation upon the provisions of Section 2.02 above:

(a) The Recipient shall maintain, throughout Project implementation, staff in adequate numbers with terms of reference, qualifications, experience and functions acceptable to the Bank to be responsible for the overall management and coordination of the Project and perform all fiduciary responsibilities, including overall financial management, procurement, Project monitoring and evaluations as well as disbursement.

(b) The Recipient shall ensure that the terms of reference for any consultants' services in respect of the technical assistance provided under Section 2.01 of the Annex to this Agreement shall be satisfactory to the Bank following its review thereof and, to that end, such terms of reference shall duly incorporate all the Bank's Environmental and Social Standards as applied to the advice conveyed through such technical assistance.

(c) The Recipient shall, not later than sixty (60) days after the Effective Date of the Project, prepare and thereafter adopt a manual, in form and substance satisfactory to the Bank, setting forth, *inter alia*, detailed arrangements and procedures for institutional coordination and Project implementation, the roles and responsibilities of all involved stakeholders, Project budgeting, accounting and disbursement, financial management, procurement, safeguards, monitoring and evaluation, reporting and communication, terms and conditions of the Partner CSO Agreements, and any other administrative, financial, technical and organizational arrangements and procedures ("Operational Manual").

(d) Except as the Bank shall otherwise agree, the Recipient shall not amend, abrogate, or waive any provision of the Operational Manual if, in the opinion of the Bank such amendment, abrogation or waiver may materially and adversely affect the implementation of the Project.

(e) The Recipient shall, within sixty (60) days after the Effective Date, enter into an agreement with Levizja FOL and Open Data Kosovo respectively ("Partner CSOs"), under terms and conditions acceptable to the Bank setting forth, *inter alia*: (i) the respective roles and responsibilities of the Partner CSOs under the Project, including the obligation of the Partner CSOs to carry out the technical implementation of the activities under the Project with due diligence and efficiency; (ii) the conditions for the Recipient's financing, out of the Grant proceeds, of limited Operating Costs of the Partner CSOs for the discharge of their roles and responsibilities under the Project; (iii) the Bank's and the Recipient's right to require audits of the Partner CSOs records and accounts; and (iv) the Recipient's right to suspend, terminate or seek refund of the Operating Costs upon the failure of the Partner CSOs to comply with their roles and obligations under the Partner CSO Agreements and as further detailed in the Operational Manual.

(f) The Recipient shall exercise its rights and carry out its obligations under each Partner CSO Agreement in such manner as to protect the interests of the Bank and the Recipient and to accomplish the purposes of the Grant and, unless the Bank shall otherwise agree, the Recipient shall not assign, amend, abrogate, terminate, waive or fail to enforce the Partner CSO Agreements or any of the provisions thereof.

2.04. **Environmental and Social Standards**

(a) The Recipient shall ensure that the Project is carried out in accordance with the Environmental and Social Standards, in a manner acceptable to the Bank.

(b) Without limitation upon paragraph (a) above, the Recipient shall ensure that the Project is implemented in accordance with the Environmental and Social Commitment Plan ("ESCP"), in a manner acceptable to the Bank. To this end, the Recipient shall ensure that:

(i) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, and provided in the ESCP;

(ii) sufficient funds are available to cover the costs of implementing the ESCP;

- (iii) policies and procedures are maintained, and qualified and experienced staff in adequate numbers are retained to implement the ESCP, as provided in the ESCP; and
 - (iv) the ESCP, or any provision thereof, is not amended, repealed, suspended or waived, except as the Bank shall otherwise agree in writing, as specified in the ESCP, and ensure that the revised ESCP is disclosed promptly thereafter.
- (c) In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.
- (d) The Recipient shall ensure that:
- (i) all measures necessary are taken to collect, compile, and furnish to the Bank through regular reports, with the frequency specified in the ESCP, and promptly in a separate report or reports, if so requested by the Bank, information on the status of compliance with the ESCP and the environmental and social instruments referred to therein, all such reports in form and substance acceptable to the Bank, setting out, inter alia: (A) the status of implementation of the ESCP; (B) conditions, if any, which interfere or threaten to interfere with the implementation of the ESCP; and (C) corrective and preventive measures taken or required to be taken to address such conditions; and
 - (ii) the Bank is promptly notified of any incident or accident related to or having an impact on the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, in accordance with the ESCP, the environmental and social instruments referenced therein and the Environmental and Social Standards.
- (a) The Recipient shall establish, publicize, maintain and operate an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances of Project-affected people, and take all measures necessary and appropriate to resolve, or facilitate the resolution of, such concerns and grievances, in a manner acceptable to the Bank.

2.05. ***Project Monitoring, Reporting and Evaluation.*** The Recipient shall ensure that each Project Report is furnished to the Bank not later than forty-five (45) days after each calendar semester, covering the calendar semester.

Article III Withdrawal of Grant Proceeds

3.01. ***Eligible Expenditures.*** The Recipient may withdraw the proceeds of the Grant in accordance with the provisions of: (a) Article III of the Standard Conditions; and (b) this Section; to finance Eligible Expenditures directly relating to the achievement of the Milestones for each Part of the Project as set forth against the Category of the following table, excluding art, furniture, carpets, vehicles and generators.

Category	Amount of the Grant Allocated (expressed in USD)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, consulting services, Operating Costs and Training under the Project	500,000	100%
TOTAL AMOUNT	500,000	

For the purposes of this Section 3.01, the terms:

(a) “Training” means the expenditures incurred by the Recipient to conduct training, including tuition, travel and subsistence costs for training and workshop participants, costs associated with securing the services of trainers and workshop speakers, rental of training and workshop facilities, preparation and reproduction of training and workshop materials, and other costs directly related to training course and workshop preparation and implementation (but excluding goods and consulting services); and

(b) “Operating Costs” means the reasonable expenditures, as shall have been approved by the Bank, incurred by the Recipient and the Partner CSOs to finance their incremental expenses incurred on account of Project implementation, and which include, *inter alia*, vehicle operation and maintenance, communication and insurance costs, banking charges, rental expenses, office and its equipment maintenance (but excluding any minor works), utilities, document duplication/printing, consumables, travel cost and *per diem* for Project staff for travel linked to the implementation of the Project, and salaries of contractual staff for the Project (but excluding consulting services), and any other reasonable expenditures as may be agreed upon by the Bank.

3.02. **Withdrawal Conditions.** Notwithstanding the provisions of Section 3.01 of this Agreement, no withdrawal shall be made for payments made prior to the date of this Agreement.

3.03. **Withdrawal Period.** The Closing Date is December 31, 2025.

Article IV Additional Remedies

4.01. **Additional Events of Suspension.** The Additional Events of Suspension referred to in Section 4.02 (k) of the Standard Conditions consist of the following, namely that the Recipient’s Enabling Legislation establishing and governing its operations has been amended, suspended, abrogated, repealed or waived to affect materially and adversely the ability of the Recipient to perform any of its obligations under this Agreement.

Article V Recipient’s Representative; Addresses

5.01. **Recipient’s Representative.** The Recipient’s Representative referred to in Section 7.02 of the Standard Conditions is its Chairman.

5.02. **Recipient's Address.** For purposes of Section 7.01 of the Standard Conditions:

- (a) the Recipient's Address is:

Balkan Green Foundation
Str. Universiteti 36/2
Prishtina 10000
Kosovo; and

- (b) the Recipient's Electronic Address is:

Facsimile:

+383 (0) 49 728 019

5.03. **Bank's Address.** For purposes of Section 7.01 of the Standard Conditions:

- (a) the Bank's address is:

International Bank for Reconstruction and Development
International Development Association
1818 H Street, N.W.
Washington, D.C. 20433
United States of America; and

- (b) the Bank's Electronic Address is:

Telex:	Facsimile:
248423 (MCI) or	1-202-477-6391

APPENDIX
Modifications to the Standard Conditions

The Standard Conditions are modified as follows:

1. Paragraph 18 of the Appendix (Definitions) is modified to read as follows:

“18. “Member Country” means a member of the World Bank in whose territory the Project is carried out or any of such member’s political or administrative subdivisions and refers separately to each such member.”

1. Section 3.07 is modified to read as follows:

“Section 3.07. *Financing Taxes*

(a) The Grant Agreement may specify that the proceeds of the Grant may not be withdrawn to pay for Taxes levied by, or in the territory of, a Member Country on or in respect of Eligible Expenditures, or on their importation, manufacture, procurement or supply. In such case, if the amount of any such Taxes decreases or increases, the World Bank may, by notice to the Recipient, adjust the percentage of such Eligible Expenditures to be financed out of the proceeds of the Grant specified in the Grant Agreement, as required to ensure consistency with such limitation on withdrawals.”

2. Section 4.02 is amended as follows:

- (i) Paragraph (a) is amended to read as follows:

“(a) *Interference*. If the Grant has been made to a Recipient which is not a Member Country, a Member Country has: (i) taken or permitted to be taken any action which would prevent or interfere with the execution of the Project or the performance by the Recipient of its obligations under the Grant Agreement; or (ii) failed to afford a reasonable opportunity for representatives of the Bank to visit any part of its territory for purposes related to the Grant or the Project.”

- (ii) Paragraphs (c) and (d) are amended to read as follows:

“(c) *Fraud and Corruption*. At any time, the Bank determines that any representative of the Recipient (or any Member Country, if the Recipient is not the Member Country, or any other recipient of any of the proceeds of the Grant) has engaged in corrupt, fraudulent, coercive or collusive practices in connection with the use of the proceeds of the Grant, without the Recipient (or any such Member Country or any other such recipient) having taken timely and appropriate action satisfactory to the Bank to address such practices when they occur.

(d) *Cross Suspension*. IBRD or IDA has suspended in whole or in part the right of the Recipient (or of any Member Country, if the Recipient is not the Member Country) to make withdrawals under any agreement with IBRD or with IDA because of a failure by the Recipient (or by any such Member Country) to perform any of its obligations under such agreement or any other agreement with IBRD or IDA.”

(iii) Paragraph (h) is amended to read as follows:

“(h) *Membership*. A Member Country: (i) has been suspended from membership in or ceased to be a member of IBRD or of IDA; or (ii) has ceased to be a member of the International Monetary Fund.”

(iv) The first sentence of paragraph (i) is amended to read as follows:

“(i) *Condition of Recipient*. If the Grant has been made to a Recipient which is not a Member Country.”

(v) Paragraph (j) is amended to read as follows:

“(j) *Ineligibility*. IBRD or IDA has declared the Recipient (other than a Member Country) ineligible to receive proceeds of any financing made by IBRD or IDA or otherwise to participate in the preparation or implementation of any project financed in whole or in part by IBRD or IDA, as a result of: (i) a determination by IBRD or IDA that the Recipient has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of any financing made by IBRD or IDA; and/or (ii) a declaration by another financier that the Recipient is ineligible to receive proceeds of any financing made by such financier or otherwise to participate in the preparation or implementation of any project financed in whole or in part by such financier as a result of a determination by such financier that the Recipient has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of any financing made by such financier.”

3. Paragraph (c) of Section 4.03 is modified to read as follows:

“(c) *Fraud and Corruption*. At any time, the Bank determines, with respect to any amount of the proceeds of the Grant, that corrupt, fraudulent, collusive or coercive practices were engaged in by representatives of the Recipient (or any Member Country, if the Recipient is not a Member Country, or any other recipient of the proceeds of the Grant), without the Recipient (or any such Member Country or other recipient of the proceeds of the Grant) having taken timely and appropriate action satisfactory to the Bank to address such practices when they occur.”

4. Paragraph (a)(ii) of Section 4.05 is modified to read as follows:

“(ii) (A) engaging in corrupt, fraudulent, collusive or coercive practices in connection with the use of such amount, or (B) use of such amount to finance a contract during the procurement or execution of which such practices were engaged in by representatives of the Recipient (or any Member Country, if the Recipient is not a Member Country, or other recipient of such amount of the Grant), in either case without the Recipient (or any such Member Country, or other such recipient) having taken timely and appropriate action satisfactory to the Bank to address such practices when they occur.”

5. Paragraph (k) of Section 5.03 is modified to read as follows:

“(k) If, within thirty days after counterparts of the award have been delivered to the parties, the award has not been complied with, any party may: (i) enter judgment upon, or institute a proceeding to enforce, the award in any court of competent jurisdiction

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against any other party; (ii) enforce such judgment by execution; or (iii) pursue any other appropriate remedy against such other party for the enforcement of the award and the provisions of the Grant Agreement. Notwithstanding the foregoing, if the Recipient is the Member Country, this Section shall not authorize any entry of judgment or enforcement of the award against the Recipient except as such procedure may be available otherwise than by reason of the provisions of this Section.”