

GEF GRANT NUMBER TFB9662-BR

Global Environment Facility
Grant Agreement

(Sustainable Multiple-Use Landscape Consortia in Brazil Project)

between

**INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT**

acting as an Implementing Agency of the Global Environment Facility

and

SERVIÇO NACIONAL DE APRENDIZAGEM RURAL

GEF GRANT NUMBER TFB9662-BR

**GLOBAL ENVIRONMENT FACILITY
GRANT AGREEMENT**

AGREEMENT dated as of the Signature Date between SERVIÇO NACIONAL DE APRENDIZAGEM RURAL (“Recipient”), and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (“Bank”), acting as an implementing agency of the Global Environment Facility (“GEF”). The Recipient and the Bank hereby agree as follows:

**Article I
Standard Conditions; Definitions**

- 1.01. The Standard Conditions (as defined in the Appendix to this Agreement) apply to and form part of this Agreement.
- 1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the Standard Conditions or in the Appendix this Agreement.

**Article II
The Project**

- 2.01. The Recipient declares its commitment to the objective of the Project described in Schedule 1 to this Agreement (“Project”). To this end, the Recipient shall carry out the Project with the assistance of the Implementing Ministries in accordance with the provisions of Article II of the Standard Conditions, Schedule 2 to this Agreement, and the Cooperation Agreement.

**Article III
The Grant**

- 3.01. The Bank agrees to extend to the Recipient a grant in an amount not to exceed twenty-four million five-hundred seventy-seven thousand nine hundred eighty-two United States Dollars (USD 24,577,982) (“Grant”) to assist in financing the Project.
- 3.02. The Recipient may withdraw the proceeds of the Grant in accordance with Section III of Schedule 2 to this Agreement.
- 3.03. The Grant is funded out of the abovementioned trust fund for which the Bank receives periodic contributions from the donor to the trust fund. In accordance with Section

3.02 of the Standard Conditions, the Bank's payment obligations in connection with this Agreement are limited to the amount of funds made available to it by the donor under the abovementioned trust fund, and the Recipient's right to withdraw the Grant proceeds is subject to the availability of such funds.

Article IV Additional Remedies

- 4.01. The Additional Event of Suspension referred to in Section 4.02 (k) of the Standard Conditions consists of the following, namely, that any of the Implementing Ministries shall have failed to perform any of their obligations under the Cooperation Agreement so as to affect materially and adversely affect, in the opinion of the Bank, the ability of the Recipient to perform any of its obligations under this Agreement.

Article V Effectiveness

- 5.01. This Agreement shall not become effective until evidence satisfactory to the Bank has been furnished to the Bank that the conditions specified below have been satisfied:
- (a) that the Project Operations Manual referred to in Section I.B of Schedule 2 to this Agreement has been adopted by the Recipient in a manner acceptable to the Bank;
 - (b) that the Cooperation Agreement referred to in Section I.C of Schedule 2 to this Agreement has been executed on behalf of the Recipient and the Implementing Ministries, has been published in the Official Gazette, and that its execution and delivery have been duly authorized or ratified by all necessary corporate action and; and
 - (c) that the execution and delivery of this Agreement on behalf of the Recipient have been duly authorized or ratified by all necessary corporate action.

Article VI Recipient's Representative; Addresses

- 6.01. The Recipient's Representative referred to in Section 7.02 of the Standard Conditions is the chairman of SENAR's deliberative board.
- 6.02. For purposes of Section 7.01 of the Standard Conditions: (a) the Recipient's address is:

SGAN Quadra 601, Módulo K, Ed. Antônio Ernesto de Salvo
Brasília - DF
CEP 70830-903; and

(b) the Recipient's Electronic Address is:

senar@senar.org.br

6.03. For purposes of Section 7.01 of the Standard Conditions:

(a) the Bank's address is:

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

(b) the Bank's Electronic Address is:

Telex:

Facsimile:

E-mail

248423 (MCI) or
64145 (MCI)

1-202-477-6391

jzutt@worldbank.org

AGREED as of the Signature Date.

**INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT**
acting as an Implementing Agency of the
Global Environment Facility

By  _____
Authorized Representative

Name: Johannes Zutt _____

Title: Country Director _____

Date: 23-Nov-2022 _____

SERVIÇO NACIONAL DE APRENDIZAGEM RURAL

By



Authorized Representative

Name: João Martins da Silvia Júnior _____

Title: Presidente do Conselho Deliberativo do Sena _____

Date: 28-Nov-2022 _____

SCHEDULE 1

Project Description

The objective of the Project is to increase the area under Sustainable Land Management and promote the integration of food systems and sustainable landscapes, the conservation of biodiversity and recovery of degraded areas in Selected Beef Cattle and Soybean Landscapes.

The Project consists of the following parts:

Part 1. Development and Promotion of a Sustainable Land Management (SLM)

Approach: provision of technical assistance and training to support strengthening local governance, landscape planning, and management capacity to implement the SLM approach in the Selected Beef Cattle and Soybean Landscapes by, *inter alia*: (i) identifying relevant stakeholders, mapping them, and mobilizing them to participate in the Consortia; (ii) developing action plans to implement the SLM approach; (iii) carrying out communication campaigns to engage and inform potential Project beneficiaries about the Project; (iv) providing training and technical assistance to stakeholders participating in the Consortia; (v) carrying out analysis in Selected Beef Cattle and Soybean Landscapes for purposes of designing action plans; and (vi) identifying potential partners to support SLM initiatives complementary to the Project.

Part 2. Promotion of Sustainable Food Production Practices and Responsible Agri-food Value Chains:

provision of technical assistance and training to support beef and soybean stakeholders to, *inter alia*, (i) invest in and adopt sustainable practices and technologies, such as environmental conservation, restoration, and low-carbon emission agricultural practices as well as degraded pasture recovery, integrated crop-livestock-forestry systems, no-till farming, recovery of springs and soil and pest management; (ii) identify the market incentives related to the adoption of sustainable practices and engagement; (iii) comply with sustainability standards, including traceability ones, in order to receive environmental certifications; (iv) improve responsible sourcing in priority value chains; (v) facilitate the uptake of lessons and innovations related to sustainable practices; (vi) develop partnerships with private sector entities interested in socio-environmentally sustainable business models.

Part 3. Conservation and Restoration of Natural Habitats and mainstreaming Biodiversity:

provision of training, technical assistance, and financial support to support the adoption by beef and soybean on degraded agricultural lands, natural forests and forested lands located in Selected Beef Cattle and Soybean Landscapes of, *inter alia*: (i) biodiversity conservation practices; (ii) natural habitat restoration practices; (iii) soil management and soil conservation practices; and (iv) agriculture-biodiversity co-existence and co-benefits.

Part 4. Project Management and Knowledge Management: supporting the overall planning, management, monitoring and evaluation for the Project as well as knowledge management and national and international dissemination of lessons learned.

SCHEDULE 2

Project Execution

Section I. Institutional and Other Arrangements

A. Institutional Arrangements

1. The Recipient shall:
 - (a) be responsible for the overall implementation, management, coordination and oversight of the Project, including the Project's administrative, procurement, environmental and social requirements, disbursement, financial management and monitoring and evaluation responsibilities, as specified in the Project Operational Manual ("POM"); and
 - (b) establish through the Cooperation Agreement and maintain, throughout Project implementation, a Project Implementation Unit ("PIU"), with functions, staffing and responsibilities satisfactory to the Bank, as set forth in the Project Operational Manual.

B. Project Operational Manual

1. The Recipient, shall carry out the Project in accordance with the Project Operational Manual containing detailed guidelines and procedures for the implementation of the Project, including *inter alia*: (a) a detailed description of the activities and institutional arrangements for the Project; (b) the Project administrative, accounting, auditing, reporting, financial, procurement and disbursement procedures; (c) the monitoring indicators for the Project; (d) the structure and composition of the PIU; (e) any other arrangements and procedures as shall be required for the effective implementation of the Project, all in form and substance satisfactory to the Bank, as such manual may be amended by the Borrower from time to time, with the prior written approval of the Bank.
2. Except as the Bank may otherwise agree in writing, the Recipient shall not amend, waive, or fail to enforce any provision of the Project Operational Manual without the Bank's prior written approval.
3. In case of any conflict between the terms of the Project Operational Manual and those of this Agreement, the terms of this Agreement shall prevail.

C. Cooperation Agreement

1. For purposes of carrying out of the Project, the Recipient shall enter into an agreement with the Implementing Ministries (the "Cooperation Agreement") under terms and conditions acceptable to the Bank, which shall include, *inter alia*:

(i) the obligation of each Implementing Ministry to assist in the carrying out the relevant Project activities that fall under their respective administrative jurisdiction in compliance with the pertinent provisions of this Agreement, including with the provisions of the Anti-Corruption Guidelines, the ESCP, and those of the Project Operational Manual; (ii) the specific mechanisms for coordination among the Implementing Ministries.

2. The Recipient shall exercise its rights and carry out its obligations under the Cooperation Agreement in such manner as to protect the interests of the Recipient, the Member Country and the Bank and to accomplish the purposes of the Grant. Except as the Bank shall otherwise agree, the Recipient shall not assign, amend, abrogate, waive, terminate or fail to enforce the Cooperation Agreement or any of its material provisions.
3. In case of any conflict between the terms of the Cooperation Agreement, and this Agreement, the provisions of this Agreement shall prevail.

D. Environmental and Social Standards

1. The Recipient shall, and shall cause the Implementing Ministries to, ensure that the Project is carried out in accordance with the Environmental and Social Standards, in a manner acceptable to the Bank.
2. Without limitation upon paragraph 1 above, the Recipient shall, and shall cause the Implementing Ministries to, 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, and shall cause the Implementing Ministries to, ensure that:
 - (a) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, and provided in the ESCP;
 - (b) sufficient funds are available to cover the costs of implementing the ESCP;
 - (c) 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
 - (d) 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.
3. In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.

4. The Recipient shall, and shall cause the Implementing Ministries to, ensure that:
 - (a) 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: (i) the status of implementation of the ESCP; (ii) conditions, if any, which interfere or threaten to interfere with the implementation of the ESCP; and (iii) corrective and preventive measures taken or required to be taken to address such conditions; and
 - (b) 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.
5. The Recipient shall, and shall cause the Implementing Ministries to, 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.
6. The Recipient shall ensure that all bidding documents and contracts for Minor Works under the Project include the obligation of contractors, subcontractors and supervising entities to: (a) comply with the relevant aspects of ESCP and the environmental and social instruments referred to therein; and (b) adopt and enforce codes of conduct that should be provided to and signed by all workers, detailing measures to address environmental, social, health and safety risks, and the risks of sexual exploitation and abuse, sexual harassment and violence against children, all as applicable to such Minor Works commissioned or carried out pursuant to said contracts.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

The Recipient shall ensure that each Project Report is furnished to the Bank not later than 45 days after the end of each calendar semester, covering the calendar semester.

Section III. Withdrawal of Grant Proceeds

A. General

1. 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 in the amount allocated and, if applicable, up to the percentage set forth against the Category of the following table.

Category	Amount of the Grant Allocated (expressed in USD)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, non-consulting services, Minor Works, consulting services, Operating Costs and Training under the Project	24,577,982	100%
TOTAL AMOUNT	24,577,982	

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made for payments made prior to the Signature Date, except that withdrawals up to an aggregate amount not to exceed one hundred Dollars (USD 100,000) may be made for payments made prior to this date but on or after August 02, 2022 for Eligible Expenditures under Category (1).
2. The Closing Date is November 30, 2027.

Section IV. Other Undertakings

- A.** The Recipient shall: (a) carry out jointly with the Bank and the Implementing Ministries a mid-term review of the implementation of operations under the Project, which shall cover the progress achieved in the implementation of the

Project; and (b) following such mid-term review, the Recipient shall act promptly and diligently to take any corrective action as shall be agreed by the Bank.

- B.** All procurable Eligible Expenditures for the Project, to be financed out of the proceeds of the Grant, shall be procured in accordance with the requirements set forth of referred to in the Procurement Regulations and the provisions of the Procurement Plan.

APPENDIX

Definitions

1. “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.
2. “Category” means the category set forth in the table in Section III.A of Schedule 2 to this Agreement.
3. “Consortia” means the fora in the Selected Beef Cattle and Soybean Landscapes in which public sector entities, private entities, and/or producers participate, including Project beneficiaries, for the purpose of discussing the SLM approach and/or receiving training and technical assistance, as further defined in the Project Operational Manual.
4. “Cooperation Agreement” means the agreement between the Recipient and the Implementing Ministries referred to in Section 1.C of Schedule 2 to this Agreement.
5. “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated August 29, 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.
6. “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 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.

7. “Implementing Ministries” means MMA and MAPA.
8. “MAPA” means the Ministry of Agriculture, Livestock and Food Supply (*Ministério da Agricultura, Pecuária e Abastecimento - MAPA*).
9. “MMA” means the Ministry of the Environment (*Ministério do Meio Ambiente - MMA*).
10. “Minor Works” means minor refurbishing, maintenance, and installation works of low complexity and with negligible to moderate environmental and social impact in an amount not to exceed USD 200,000 (two hundred thousand Dollars).
11. “Operating Costs” means the incremental operating expenditures incurred by the Recipient on account of the Project implementation, management, monitoring and evaluation, including office rent, office materials and supplies, utilities, communication costs, support for information systems, translation costs, bank charges and travel and per diem costs and other reasonable expenditures directly associated with the implementation of the Project activities.
12. “POM” or “Project Operational Manual” means the manual described in Section I.B of Schedule 2 to this Agreement, setting forth detailed guidelines and procedures for the implementation of the Project.
13. “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.
14. “Project Implementation Unit” or “PIU” means the Project implementing unit referred to in Section 1.A to Schedule 2 to this Agreement.
15. “SENAR” means the National Rural Learning Service (*Serviço Nacional de Aprendizagem Rural - SENAR*).
16. “Selected Beef Cattle and Soybean Landscapes” means the areas in which beef cattle and soybean crops are or can be produced, situated in the Member Country’s Federal District, the states of Bahia, Goiás, Mato Grosso, Mato Grosso do Sul, and Minas Gerais, and/or any other state in the Member Country’s territory, selected in accordance with the procedure set forth in the POM and acceptable to the Bank, all as further defined in the POM.

17. “Sustainable Land Management” or “SLM” means a range of complementary measures that are adapted to the biophysical and socio-economic context for the protection, conservation and sustainable use of resources.
18. “Signature Date” means the later of the two dates on which the Recipient and the Bank signed this Agreement and such definition applies to all references to “the date of the Grant Agreement” in the Standard Conditions.
19. “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.
20. “Training” means expenditures (other than those for consulting services) incurred in connection with study tours, training courses, seminars, workshops, and other training activities, not included under goods or service providers’ contracts, including costs of training materials, space and equipment rental, travel, per diem costs for trainees and trainers and trainers’ fees (as applicable).