

Public Disclosure Authorized

CONFORMED COPY

GEF GRANT NUMBER TF097173

Global Environment Facility Grant Agreement

(Shanghai Agricultural and Non-Point Pollution Reduction Project)

Public Disclosure Authorized

between

PEOPLE'S REPUBLIC OF CHINA

and

INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT

acting as an Implementing Agency of the Global Environment Facility

Dated September 15, 2010

**GEF GRANT NUMBER
TF097173**

**GLOBAL ENVIRONMENT FACILITY
GRANT AGREEMENT**

AGREEMENT dated September 15, 2010, entered into between PEOPLE'S REPUBLIC OF CHINA ("Recipient"), and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT ("World Bank"), acting as an implementing agency of the Global Environment Facility ("GEF").

The Recipient and the World Bank hereby agree as follows:

**Article I
Standard Conditions; Definitions**

- 1.01. The Standard Conditions for Grants Made by the World Bank Out of Various Funds, dated July 1, 2008 ("Standard Conditions"), constitute an integral 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 Section I of the Appendix to this Agreement.

**Article II
The Project**

- 2.01. The Recipient declares its commitment to the objectives of the project described in Schedule 1 to this Agreement ("Project"). To this end, the Recipient shall cause the Project to be carried out by the Project Implementing Entity in accordance with the provisions of the agreement dated the same date as this Agreement between the World Bank and the Project Implementing Entity, as such agreement may be amended from time to time ("Project Agreement").
- 2.02. Without limitation upon the provisions of Section 2.01 of this Agreement, and except as the Recipient and the World Bank shall otherwise agree, the Recipient shall ensure that the Project is carried out in accordance with the provisions of Schedule 2 to this Agreement.

**Article III
The Grant**

- 3.01. The World Bank agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a grant in an amount equal to four million seven hundred and eighty eight thousand United States Dollars (\$4,788,000) (“Grant”) to assist in financing the Project.
- 3.02. The Recipient may withdraw the proceeds of the Grant in accordance with Section IV of Schedule 2 to this Agreement.
- 3.03. The Grant is funded out of the abovementioned GEF for which the World Bank receives periodic contributions. In accordance with Section 3.02 of the Standard Conditions, the Recipient may withdraw the Grant proceeds subject to the availability of such funds.

**Article IV
Additional Remedies**

- 4.01. The Additional Events of Suspension referred to in Section 4.02(k) of the Standard Conditions consist of the following:
 - (a) The Recipient has taken or permitted to be taken any action which would prevent or interfere with the performance by the Project Implementing Entity of its obligations under the Project Agreement.
 - (b) The Project Implementing Entity has failed to perform any obligation under the Project Agreement.
 - (c) The World Bank has declared the Project Implementing Entity ineligible to receive proceeds of any financing made by it, or otherwise to participate in the preparation or implementation of any project financed in whole or in part by the World Bank (including as administrator of funds provided by another financier), as a result of: (i) a determination by the World Bank that the Project Implementing Entity has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of any financing made by the World Bank; and/or (ii) a declaration by another financier that the Project Implementing Entity is ineligible to receive proceeds of financings 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 Project Implementing Entity has engaged in fraudulent, corrupt, coercive or collusive practices in

connection with the use of the proceeds of a financing made by such financier.

- (d) As a result of events which have occurred after the date of this Agreement, an extraordinary situation has arisen which makes it improbable that the Project Implementing Entity will be able to perform its obligations under the Project Agreement.
- (e) The World Bank has determined after the Effective Date referred to in Section 5.03 of this Agreement that prior to such date but after the date of this Agreement, an event has occurred which would have entitled the World Bank to suspend the Recipient's right to make withdrawals from the Grant Account if this Agreement had been effective on the date such event occurred.

Article V Effectiveness; Termination

- 5.01. This Agreement shall not become effective until evidence satisfactory to the World Bank has been furnished to the World Bank that the conditions specified below have been satisfied:
 - (a) The execution and delivery of this Agreement on behalf of the Recipient and the Project Agreement on behalf of the Project Implementing Entity have been duly authorized or ratified by all necessary governmental and corporate action.
 - (b) Approval by the relevant competent government agency of the Project Implementing Entity of the final draft of the Feasibility Study Report on River-network Wetland Demonstration Sub-project in Juyuan New Development Area and Waigang Town, both located in Jiading District, satisfactory to the World Bank.
- 5.02. As part of the evidence to be furnished pursuant to Section 5.01(a), there shall be furnished to the World Bank an opinion or opinions satisfactory to the World Bank of counsel acceptable to the World Bank or, if the World Bank so requests, a certificate satisfactory to the World Bank of a competent official of the Recipient showing the following matters:
 - (a) on behalf of the Recipient, that this Agreement has been duly authorized or ratified by, and executed and delivered on its behalf and is legally binding upon it in accordance with its terms; and

- (b) on behalf of the Project Implementing Entity, that the Project Agreement has been duly authorized or ratified by, and executed and delivered on its behalf and is legally binding upon it in accordance with its terms.
- 5.03. Except as the Recipient and the World Bank shall otherwise agree, this Agreement shall enter into effect on the date upon which the World Bank dispatches to the Recipient notice of its acceptance of the evidence required pursuant to Section 5.01 (“Effective Date”). If, before the Effective Date, any event has occurred which would have entitled the World Bank to suspend the right of the Recipient to make withdrawals from the Grant Account if this Agreement had been effective, the World Bank may postpone the dispatch of the notice referred to in this Section until such event (or events) has (or have) ceased to exist.
- 5.04. *Termination for Failure to Become Effective.* This Agreement and all obligations of the parties under it shall terminate if it has not entered into effect by the date ninety (90) days after the date of this Agreement, unless the World Bank, after consideration of the reasons for the delay, establishes a later date for the purpose of this Section. The World Bank shall promptly notify the Recipient of such later date.

Article VI
Recipient’s Representative; Addresses

- 6.01. The Recipient’s Representative referred to in Section 7.02 of the Standard Conditions is the Recipient’s Minister of Finance.
- 6.02. The Recipient’s Address referred to in Section 7.01 of the Standard Conditions is:

Ministry of Finance
Sanlihe
Beijing 100820
People’s Republic of China

Facsimile:

(86-10) 6855-1125

- 6.03. The World Bank’s Address referred to in Section 7.01 of the Standard Conditions is:

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

Cable:	Telex:	Facsimile:
INTBAFRAD Washington, D.C.	248423 (MCI) or 64145 (MCI)	1-202-477-6391

AGREED at Beijing, People's Republic of China, as of the day and year first above written.

PEOPLE'S REPUBLIC OF CHINA

By /s/ Zheng Xiaosong
Authorized Representative

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

By /s/ Klaus Rohland
Authorized Representative

SCHEDULE 1

Project Description

The objective of the Project is to demonstrate effective and innovative pollution reduction activities in Shanghai's rural areas in order to reduce the rural and agricultural pollution load (especially nutrients) in the surface water flowing to the East China Sea.

The Project consists of the following parts:

Part A: Livestock Waste Management Technology Demonstration

1. Improving the management of livestock waste on Shanghai Bright Holstan Jinshan Dairy Farm in Jinshan district including, the establishment of a livestock waste treatment facility that will generate biogas electric power.
2. Improving the management of livestock waste on Shanghai Shenye Dairy Cooperative in Chongming county including, the establishment of a livestock waste treatment center comprising, *inter alia*, a solid waste management system and a liquid waste management system.
3. Integrating the management of livestock and agricultural waste and generating biogas and fuel gas electric power on the pig farm located in Qianwei village in Chongming county, including the establishment of a system for treating livestock, agricultural and household waste, and a system for treating crop straw and rice chaff.

Part B: Demonstration of Use of Wetland for Pollution Reduction

1. (a) Controlling agricultural pollution and improving the treatment of household sewage including, ecological restoration engineering of a demonstration pilot rural town river-network wetland in the Juyuan New Development Area and Waigang town, both located in Jiading district, *inter alia*, by: (i) restructuring the surrounding rivers' beds; (ii) constructing riverside belts and vegetation buffers; (iii) expanding the rivers' cross section; and (iv) connecting the dead-end waterways; and
 - (b) Improving the collection and treatment of household sewage in Qinggang village located in Waigang town, Jiading district including, the construction of an artificial wetland in Qinggang village.
2. Improving the collection and treatment of household sewage from selected villages in Qingpu district including, the villages of Qianwan, Beiwangbang and Jintian in Liantang town and the village of Xiezhuang in Jinze town, through the

construction of demonstration pilot village wetland sewage treatment systems comprising, *inter alia*, sewage collection networks and tanks.

Part C: Integrated Agricultural Pollution Reduction Techniques

1. Reducing the use of chemical fertilizers through demonstration at the Selected Demonstration Sites of techniques relating, *inter alia*, to: (a) the promotion of the use of organic fertilizers; (b) the promotion of accurate fertilizer application and use of crop-specific and nutrient-customized fertilizers; and (c) manure application.
2. Promoting the reduction of pollution from agricultural chemicals through demonstration at the Selected Demonstration Sites, *inter alia*, of: (a) the usage of high efficiency, low toxic and low residual effect chemicals; (b) the usage of eco-friendly biological pesticides; (c) the upgrading of sprayers; and (d) the usage of non-chemical technology for insect and pest control.
3. (a) Monitoring the effect of the demonstration of the integrated agricultural pollution reduction technology referred to under Parts C.1 and C.2 of the Project by establishing check-points on the Selected Demonstration Sites for on-site examination and collection of samples for laboratory testing; (b) establishing an early warning network for epidemics caused by plant diseases, insects or pests; and (c) extending the experience to other parts of Shanghai through *inter alia*, carrying out of training, workshops and technology fairs.

Part D: Project Management and Dissemination

1. Providing support to and strengthening the capacity of the organizations and entities responsible for Project implementation through *inter alia*, the provision of technical assistance and training.
2. (a) Developing a detailed replication strategy for the technology and techniques demonstrated under Parts A, B, C.1 and C.2 of the Project; and (b) establishing a monitoring and evaluation system at all the PIAs.
3. Provision of training to various parties including, the PIAs, farmers, and government officials in Shanghai relating to awareness raising, project management, capacity building and technical skills especially for system operators, and disseminating the information and experience obtained during Project implementation to the public in the Recipient's territory.

SCHEDULE 2**Project Execution****Section I. Implementation Arrangements****A. Financing Arrangements**

To facilitate the carrying out of the Project, the Recipient shall make the proceeds of the Grant available to the Project Implementing Entity on a grant basis.

B. Anti-Corruption

The Recipient shall ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.

Section II. Project Monitoring, Reporting and Evaluation**A. Project Reports; Completion Report**

1. The Recipient shall monitor and evaluate, and cause the Project Implementing Entity to monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 2.06 of the Standard Conditions and on the basis of the indicators set forth in Annex B to the Schedule to the Project Agreement. Each Project Report shall cover the period of one (1) calendar semester, and shall be furnished to the World Bank by March 31 and September 30 each year, starting March 31, 2011.
2. The Recipient shall cause the Project Implementing Entity to prepare the Completion Report in accordance with the provisions of Section 2.06 of the Standard Conditions. The Completion Report shall be furnished to the World Bank not later than six (6) months after the Closing Date.

B. Financial Management; Financial Reports; Audits

1. The Recipient shall ensure that a financial management system is maintained in accordance with the provisions of Section 2.07 of the Standard Conditions.
2. The Recipient shall ensure that interim unaudited financial reports for the Project are prepared and furnished to the World Bank as part of the Project Report not later than three (3) months after the end of each calendar semester, covering the calendar semester, in form and substance satisfactory to the World Bank.
3. The Recipient shall cause the Project Implementing Entity to have its Financial Statements for the Project audited in accordance with the provisions of Section 2.07(b) of the Standard Conditions. Each such audit of the Financial

Statements shall cover the period of one (1) fiscal year of the Project Implementing Entity. The audited Financial Statements for each such period shall be furnished to the World Bank not later than six (6) months after the end of such period.

Section III. Procurement

A. General

1. **Procurement and Consultant Guidelines.** All goods, works and services required for the Project and to be financed out of the proceeds of the Grant shall be procured in accordance with the requirements set forth or referred to in:
 - (a) Section I of the Procurement Guidelines in the case of goods and works, and Sections I and IV of the Consultant Guidelines in the case of consultants' services; and
 - (b) the provisions of this Section III, as the same shall be elaborated in the Procurement Plan.
2. **Definitions.** The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the World Bank of particular contracts, refer to the corresponding method described in the Procurement Guidelines, or Consultant Guidelines, as the case may be.

B. Particular Methods of Procurement of Goods and Works

1. **National Competitive Bidding.** Except as otherwise provided in paragraph 2 below, goods and works shall be procured under contracts awarded on the basis of National Competitive Bidding. The procedures to be followed for National Competitive Bidding shall be those set forth in the Law on Tendering and Bidding of the People's Republic of China promulgated by Order No.21 of the President of the People's Republic of China on August 30, 1999, with the following clarifications required for compliance with the Procurement Guidelines:
 - (a) All invitations to prequalify or to bid shall be advertised in a newspaper of national circulation in the Recipient's country, except for civil works contracts that are estimated to cost less than \$2,000,000 equivalent each and for goods contracts that are estimated to cost less than \$300,000 equivalent each, which may be advertised in a provincial daily newspaper. Such advertisement shall be made in sufficient time for prospective bidders to obtain prequalification or bidding documents and prepare and submit their responses. In any event, a minimum of thirty (30) days shall be given to bidders between the date of advertisement in

such newspaper and the deadline for submission of bids, and the advertisement and bidding documents shall specify the deadline for such submission.

- (b) Qualification requirements of bidders and the method of evaluating the qualification of each bidder shall be specified in detail in the bidding documents.
- (c) All bidders that meet the qualification criteria set out in the pre-qualification document shall be allowed to bid and there shall be no limit on the number of pre-qualified bidders.
- (d) All bidders shall be required to provide security in an amount sufficient to protect the Recipient or the Project Implementing Entity, as the case may be, in case of breach of contract by the contractor, and the bidding documents shall specify the required form and amount of such security.
- (e) Bidders will be allowed to submit bids by mail or by hand. The time for opening of all bids shall be the same as the deadline for receipt of such bids.
- (f) All bids shall be opened in public; all bidders shall be offered an opportunity to be present (either in person or through their representatives) at the time of bid opening, but bidders shall not be required to be present at the bid opening.
- (g) All bid evaluation criteria shall be disclosed in the bidding documents and quantified in monetary terms or expressed in the form of pass/fail requirements.
- (h) No bid may be rejected solely on the basis that the bid price falls outside any standard contract estimate, or margin or bracket of average bids established by the Recipient or the Project Implementing Entity, as the case may be.
- (i) Each contract shall be awarded to the lowest evaluated responsive bidder, that is, the bidder who meets the appropriate standards of capability and resources and whose bid has been determined: (A) to be substantially responsive to the bidding documents; and (B) to offer the lowest evaluated cost. The winning bidder shall not be required, as a condition of award, to undertake responsibilities for work not stipulated in the bidding documents or otherwise to modify the bid as originally submitted.

- (j) Each contract financed with the proceeds of the Grant shall provide that the suppliers and contractors shall permit the World Bank, at its request, to inspect their accounts and records relating to the performance of the contract and to have said accounts and records audited by auditors appointed by the World Bank.
- (k) Government owned enterprises in the Recipient’s country may be permitted to bid or submit a proposal of goods and works if they can establish that they: (A) are legally and financially autonomous; (B) operate under commercial law; and (C) are not a dependent agency of the agency conducting the procurement.
- (l) All bids should not be rejected solely because the number of bids is less than three (3), and rejection of all bids or rebidding shall not take place without the World Bank’s prior written concurrence.
- (m) The results of bid evaluation and contract award shall be published in the national press or provincial press (as provided under sub-paragraph (a) above) or official gazette or a free and open access website and shall identify the name and offered price of the winning bidder, as well as the duration and summary scope of the awarded contract.
- (n) The Project Implementing Entity shall have in place provisions for bidders to protest.

2. **Other Methods of Procurement.** The following table specifies the methods of procurement, other than National Competitive Bidding, which may be used for goods. The Procurement Plan shall specify the circumstances under which such methods may be used.

Procurement Method
(a) Shopping
(b) Direct Contracting

C. Particular Methods of Procurement of Consultants’ Services

- 1. **Quality- and Cost-based Selection.** Except as otherwise provided in paragraph 2 below, consultants’ services shall be procured under contracts awarded on the basis of Quality- and Cost-based Selection.
- 2. **Other Methods of Procurement of Consultants’ Services.** The following methods, other than Quality- and Cost-based Selection, may be used for

procurement of consultants' services in the circumstances specified in the Procurement Plan for each such method: (a) Selection based on the Consultants' Qualifications; (b) Single-Source Selection; (c) Procedures set forth in paragraphs 5.2 and 5.3 of the Consultants' Guidelines for the Selection of Individual Consultants; and (d) Sole Source Procedures set forth in paragraph 5.4 of the Consultants' Guidelines for the Selection of Individual Consultants.

D. Review by the World Bank of Procurement Decisions

1. Except as the World Bank shall otherwise determine by notice to the Recipient, the following contracts shall be subject to Prior Review by the World Bank: (i) the first contract procured by each PIA; (ii) each contract for goods estimated to cost the equivalent of \$200,000 or more; (iii) all contracts for goods and works procured on the basis of Direct Contracting; (iv) each contract for works and services (other than consultants' services) estimated to cost the equivalent of \$2,000,000 or more and procured on the basis of National Competitive Bidding; (v) each contract for consultants' services provided by a firm estimated to cost the equivalent of \$100,000 or more; (vi) all contracts for consultants' services provided by a firm procured on the basis of Single-Source Selection; and (vii) all contracts for consultants' services provided by an individual procured on the basis of Sole-Source Procedures. All other contracts shall be subject to Post Review by the World Bank.
2. In addition, the following prior review procedures shall apply to each contract for the employment of individual consultants to be selected on a sole source basis: (i) the qualifications, experience, terms of reference and conditions of employment of the consultants shall be furnished to the World Bank for its prior review and approval; (ii) the contract shall be awarded only after the World Bank's approval shall have been given; and (iii) the provisions of paragraph 3 of Appendix 1 to the Consultant Guidelines shall apply to the contract.

Section IV. 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; (b) this Section; and (c) such additional instructions as the World Bank may specify by notice to the Recipient (including the "World Bank Disbursement Guidelines for Projects" dated May 2006, as revised from time to time by the World Bank and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the table in paragraph 2 below.
2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Grant ("Category"), the allocations of the

amounts of the Grant to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

Category	Amount of the Grant Allocated (expressed in USD)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods and works under Part A.1 of the Project	1,458,000	100%
(2) Works under Part A.2 of the Project	550,000	100%
(3) Goods and works under Part A.3 of the Project	400,000	100%
(4) Goods and works under Part B.1 of the Project	350,000	100%
(5) Goods and works under Part B.2 of the Project	600,000	100%
(6) Goods and services under Part C of the Project	900,000	100%
(7) Goods and services under Parts D.1 and D.2 of the Project	380,000	100%
(8) Goods, services, training and workshops under Part D.3 of the Project	150,000	100%
TOTAL AMOUNT	4,788,000	

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made:
 - (a) for payments made prior to the date of this Agreement, except that withdrawals up to an aggregate amount not to exceed \$785,000 equivalent may be made for payments made prior to this date but on or after September 1, 2009, for Eligible Expenditures under Categories (2), (3), (5) and (8); or
 - (b) under each of Categories (1) through (4), (6) and (8), unless and until the World Bank shall have notified the Recipient, the Project Implementing Entity and the PIA concerned, of the World Bank's receipt of evidence satisfactory to the World Bank that a Sub-Grant Agreement has been entered into between the Project Implementing Entity and said PIA in respect of said PIA's Respective Parts of the Project.
2. The Closing Date referred to in Section 3.06(c) of the Standard Conditions is
June 30, 2014.

APPENDIX**Section I. Definitions**

1. “Anti-Corruption Guidelines” means the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006, with the modifications set forth in Section II of the Appendix to this Agreement.
2. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
3. “Changjiang Farm” means the farm located in Chongming county and owned by Shanghai Bright Food Group.
4. “Chongming Working Group” means the working group comprising members from relevant government agencies in the Chongming county and established by the Development and Reform Commission of the Chongming county.
5. “Consultant Guidelines” means the “Guidelines: Selection and Employment of Consultants by World Bank Borrowers” published by the World Bank in May 2004 and revised in October 2006 and May 2010.
6. “Displaced Persons” means persons who, on account of the execution of the Project, have experienced or would experience direct economic and social impacts caused by: (a) the involuntary taking of land, resulting in: (i) relocation or loss of shelter; (ii) loss of assets or access to assets; or (iii) loss of income sources or means of livelihood, whether or not such persons must move to another location; or (b) the involuntary restriction of access to legally designated parks and protected areas, resulting in adverse impacts on the livelihood of such persons; and a “Displaced Person” means any of such Displaced Persons.
7. “Environment Management Plans” means, collectively, the following plans all dated August 20, 2009, which set out the environmental protection measures in respect of the Project, as well as administrative and monitoring arrangements to ensure the implementation of said plans, as said plans may be revised from time to time with the agreement of the World Bank:
 - (a) the Jinshan Dairy Farm Environmental Management Plan for investments under Part A.1 of the Project;
 - (b) the Chongming Dairy Farm Environmental Management Plan for investments under Part A.2 of the Project;

- (c) the Qianwei Village Environmental Management Plan for investments under Part A.3 of the Project;
- (d) the Jiading Town River-Network Wetland Demonstration Environmental Management Plan for investments under Part B.1 of the Project;
- (e) the Qingpu Village Wetland Sewage Treatment System Environmental Management Plan for investments under Part B.2 of the Project; and
- (f) the Integrated Agricultural Pollution Reduction Techniques Environmental Management Plan for investments under Part C of the Project; and

“Environment Management Plan” means, individually, any such plan.

- 8. “Financial Management Manual” means the manual dated January 31, 2010, and referred to in Section IV, paragraph 2 of the Schedule to the Project Agreement.
- 9. “Jiading Working Group” means the working group comprising members from relevant government agencies in the Jiading district and established by the Development and Reform Commission of Jiading district.
- 10. “Jinze Town” means Jinze town within Qingpu district.
- 11. “Liantang Town” means Liantang town within Qingpu district.
- 12. “Pest Management Plan” means the Integrated Agricultural Pollution Reduction Techniques Pest Management Plan dated August 20, 2009, prepared on behalf of Shanghai, and to be implemented in accordance with the provisions of Section I, paragraph C.3 of the Schedule to the Project Agreement, as said plan may be revised from time to time with the agreement of the World Bank.
- 13. “PIAs” mean, collectively, SBH, SIACNUD, Jinze Town, Liantang Town, the Qianwei Village Committee, SABTS, SATESC, and SSSDC; and “PIA” means, individually, any of said PIAs. For the purposes of Annex A to the Schedule to the Project Agreement, “PIA” refers to the foregoing entities but excludes Jinze Town and Liantang Town.
- 14. “Procurement Guidelines” means the “Guidelines for Procurement under IBRD Loans and IDA Credits” published by the World Bank in May 2004 and revised in October 2006 and May 2010.
- 15. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated August 23, 2009, and referred to in paragraph 1.16 of the Procurement

Guidelines and paragraph 1.24 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.

16. “Project Coordination Group” means the project coordination group referred to in Section I, paragraph A.1(a) of the Schedule to the Project Agreement.
17. “Project Implementation Plan” means the project implementation plan dated August 2009, and referred to in Section IV, paragraph 1(a) of the Schedule to the Project Agreement; as said plan may be revised from time to time with the prior agreement of the World Bank.
18. “Project Implementing Entity” means Shanghai.
19. “Project Management Office” means the project management office referred to in Section I, paragraph A.1(b) of the Schedule to the Project Agreement.
20. “Qianwei Village Committee” means the committee established by the Shuxin Town government and elected by the villagers of Qianwei village, and responsible for managing the activities of Qianwei village.
21. “Qingpu Working Group” means the working group comprising members from relevant government agencies in the Qingpu district and established by the Qingpu Water Authority.
22. “Resettlement Action Plan” means the Resettlement Action Plan of Land-taking for Shanghai Agricultural and Non-Point Pollution Reduction Project by GEF Donation dated August 25, 2009, prepared on behalf of Shanghai, which said plan sets out, the principles and procedures governing the acquisition of land and other assets, and the resettlement, compensation and rehabilitation of Displaced Persons on account of the implementation of Part B.2 of the Project in Qingpu District, as well as monitoring and reporting arrangements to ensure compliance with said plans, as the same may be revised from time to time with the prior agreement of the World Bank.
23. “Respective Parts of the Project” means in respect of:
 - (a) SBH, Parts A.1 and D.1 of the Project;
 - (b) SSDC, Parts A.2 and D.1 of the Project;
 - (c) Qianwei Village Committee, Parts A.3 and D.1 of the Project;
 - (d) SIACNUD, Parts B.1 and D.1 of the Project;
 - (e) Jinze Town and Liantang Town, Parts B.2 and D.1 of the Project;

- (f) SATESC, Parts C and D.1 of the Project; and
 - (g) SABTS, Parts D.1 and D.3 of the Project.
24. “SABTS” means the Shanghai Agricultural Broadcasting Television School, established by the SAC in 1980, and registered with Shanghai Quality and Technology Supervision Bureau (Registration No. 310227207594), and any successor thereto.
 25. “SAC” means the Shanghai Agricultural Commission.
 26. “SAC Working Group” means the working group established under SAC’s Comprehensive Development division.
 27. “SATESC” means the Shanghai Agricultural Technology Extension and Service Center, established by the Shanghai Organization Commission in 1995, and registered with Shanghai Quality and Technology Supervision Bureau (Registration No. 31011222443001), and any successor thereto.
 28. “SBH” means the Shanghai Bright Holstan Company Limited, a joint venture company, established and operating pursuant to its Charter dated February 5, 2008, and to Business License No. 310115000761306 dated December 28, 2007, issued by the Shanghai Administration of Industry and Commerce, and any successor thereto.
 29. “SDRC” means the Shanghai Development and Reform Commission.
 30. “Selected Demonstration Sites” means, collectively:
 - (a) Shanghai Jinshan Langxia Modern Agricultural Park in Jinshan district, Zhujiajiao Production Base in Qingpu district and Changjiang Farm in Chongming county; and
 - (b) any other demonstration site selected by agreement among the Recipient, the Project Implementing Entity and SATESC.
 31. “SEPB” means the Shanghai Environmental Protection Bureau.
 32. “SFB” means the Shanghai Municipal Finance Bureau.
 33. “Shanghai” means the Recipient’s Shanghai Municipality, and any successor thereto.

34. “Shanghai Bright Holstan Jinshan Dairy Farm” means the dairy farm located in the Shanghai Jinshan Langxia Modern Agricultural Park in Jinshan district and owned by SBH.
35. “Shanghai Shenye Dairy Cooperative” means the dairy farm located at Chongming county and owned by SSDC.
36. “SIACNUD” means the Shanghai International Automobile City New Anting United Development Company Limited, a joint venture company, established and operating pursuant to its Charter dated June 2008, and to Business License No. 310114000541683 dated July 18, 2008, issued by Shanghai Administration of Industry and Commerce, and any successor thereto.
37. “SSDC” means the Shanghai Shenye Dairy Cooperative operating pursuant to Business License No. 310230NA000227X dated July 30, 2008, issued by Shanghai Administration of Industry and Commerce, and any successor thereto.
38. “Sub-Grant” means a grant made or to be made out of the proceeds of the Grant to a PIA pursuant to a Sub-Grant Agreement.
39. “Sub-Grant Agreements” means, collectively, the agreements to be entered into between the Project Implementing Entity and each of the PIAs (except Jinze Town and Liantang Town) pursuant to Section I, paragraph D.1 of the Schedule to the Project Agreement, as the same may be amended from time to time, and such term includes all schedules and agreements supplemental to said agreements; and “Sub-Grant Agreement” means, individually, any of said Sub-Grant Agreements.
40. “Working Groups” means, collectively, the Chongming Working Group, the Jiading Working Group, the Qingpu Working Group and the SAC Working Group; and “Working Group” means, individually, any of said Working Groups.

Section II. Modifications to the Anti-Corruption Guidelines

The modifications to the Anti-Corruption Guidelines are as follows:

1. Section 5 is re-numbered as Section 5(a) and a new Section 5(b) is added to read as follows:

“(b) These Guidelines also provide for the sanctions and related actions to be imposed by the Bank on Borrowers (other than the Member Country) and all other individuals or entities who are recipients of Loan proceeds, in the event that the Borrower or the individual or entity has been debarred by another financier as a result of a determination by such financier that the Borrower or the individual

or entity has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of a financing made by such financier.”

2. Section 11(a) is modified to read as follows:

“... (a) sanction in accordance with prevailing Bank’s sanctions policies and procedures (fn13) a Borrower (other than a Member Country) (fn 14) or an individual or entity, including (but not limited to) declaring such Borrower, individual or entity ineligible publicly, either indefinitely or for a stated period of time: (i) to be awarded a Bank-financed contract; (ii) to benefit from a Bank-financed contract, financially or otherwise, for example as a sub-contractor; and (iii) to otherwise participate in the preparation or implementation of the project or any other project financed, in whole or in part, by the Bank, if at any time the Bank determines (fn 15) that such Borrower, individual or entity has engaged in corrupt, fraudulent, collusive, coercive or obstructive practices in connection with the use of loan proceeds, or if another financier with which the Bank has entered into an agreement for the mutual enforcement of debarment decisions has declared such person or entity ineligible to receive proceeds of financings 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 Borrower or the individual or entity has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of a financing made by such financier.”

Footnotes:

“13. An individual or entity may be declared ineligible to be awarded a Bank financed contract upon completion of sanctions proceedings pursuant to the Bank’s sanctions policies and procedures, or under the procedures of temporary suspension or early temporary suspension in connection with an ongoing sanctions proceeding, or following a sanction by another financier with whom the Bank has entered into a cross debarment agreement, as a result of a determination by such financier that the firm or individual has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of a financing made by such financier.”

“14. Member Country includes officials and employees of the national government or of any of its political or administrative subdivisions, and government owned enterprises and agencies that are not eligible to bid under paragraph 1.8(b) of the Procurement Guidelines or participate under paragraph 1.11(c) of the Consultant Guidelines.”

“15. The Bank has established a Sanctions Board, and related procedures, for the purpose of making such determinations. The procedures of the Sanctions Board sets forth the full set of sanctions available to the Bank. In addition, the Bank has adopted an internal protocol outlining the process to be followed in implementing debarments by other financiers, and explaining how cross-debarments will be posted on the Bank’s website and otherwise be made known to staff and other stakeholders.”