

Public Disclosure Authorized

CONFIRMED COPY

GEF GRANT NUMBER TF096537

Global Environment Facility Grant Agreement

(Biodiversity Conservation Project)

between

REPUBLIC OF SIERRA LEONE

and

**INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT**

acting as an Implementing Agency of the Global Environment Facility

Dated April 21, 2010

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GEF GRANT NUMBER TF096537

GLOBAL ENVIRONMENT FACILITY GRANT AGREEMENT

AGREEMENT dated April 21, 2010, entered into between: REPUBLIC OF SIERRA LEONE (“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 (as defined in the Appendix to this Agreement) 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 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 carry out the Project in accordance with the provisions of Article II of the Standard Conditions.
- 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 five million United States Dollars (\$5,000,000) (“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 trust fund 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 Event of Suspension referred to in Section 4.02 (k) of the Standard Conditions is that the World Bank has determined after the Effective Date 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 Recipient has adopted the Project Implementation Manual; and
 - (b) the Recipient has established the National Steering Committee.
- 5.02. Except as the Recipient and the World Bank shall otherwise agree, the Effective Date on which this Agreement shall enter into effect shall be the date upon which the World Bank dispatches to the Recipient notice of its acceptance of the evidence required pursuant to Section 5.01. 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.
- 5.03. This Agreement and all obligations of the parties under it shall terminate if it has not entered into effect by the date 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 its Minister responsible for finance.

6.02. The Recipient's Address referred to in Section 7.01 of the Standard Conditions is:

Ministry of Finance and Economic Development
Treasury Building
George Street
Freetown, Sierra Leone

Facsimile: 232 22 228 472

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 Washington, DC, United States of America, as of the day and year first above written.

REPUBLIC OF SIERRA LEONE

By /s/ Samura Kamara

Authorized Representative

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

By /s/ Ishac Diwan

Authorized Representative

SCHEDULE 1

Project Description

The objective of the Project is to assist the Recipient in improving the management of selected priority biodiversity conservation sites and enhancing its capacity for replication of best biodiversity conservation practices.

The Project consists of the following parts:

Part 1. Strengthening of the National Framework for Biodiversity Conservation

- 1.1. Policy, Legal and Financial Framework. Support for: (i) the review and update of forestry, wildlife and biodiversity policies, laws and regulations in consultation with relevant stakeholders; and (ii) the analysis of options, and the preparation of a strategy, for sustainable financing of conservation sites.
- 1.2. Institutional Framework. Support for: (i) the operation of the National Steering Committee; (ii) the development of an operational strategy for replication of best practices in conservation planning and management; (iii) the preparation of a training needs assessment and the development and implementation of a training plan for staff of the Forestry Division of the Ministry of Agriculture, Forestry and Food Security, and other relevant national staff; and (iv) the development and operation of a geographic information system database to support conservation site management.

Part 2. Conservation Site Planning and Management

- 2.1. Pilot Site Planning and Management. Support for: (i) the establishment and operation of conservation site management teams for each site selected for support under the Project; (ii) the carrying out of conservation site-specific studies and surveys and the development and dissemination of related conservation management plans, in consultation with relevant stakeholders, including environmental and social impact assessments and resettlement action plans; (iii) the implementation of activities envisaged under the conservation site management plans, such as minor infrastructure improvements, boundary surveys and demarcation, design and implementation of conservation monitoring systems, and review of site-specific sustainable financing options; and (iv) the preparation of a training needs assessment and the development and implementation of a training plan for conservation site staff and other local stakeholder representatives in key aspects of conservation planning, management and monitoring.

- 2.2. Community Mobilization and Outreach and Conservation Linked Development. Support for: (i) community mobilization and outreach activities, including (a) consultative review and modification of schools curricula to emphasize the social, environmental and economic rationale for biodiversity conservation in the local context, (b) design and implementation of a community outreach program to promote awareness of the needs and opportunities for conservation, (c) preparation of appropriate information materials, (d) development of nature clubs in schools and building of relationships between schools and specific conservation sites, and (e) holding of meetings between site staff, district councils, and other key stakeholders to share best practices, address common issues, and develop coordination mechanisms; and (ii) identification and implementation of conservation-linked activities for community livelihood improvements based on site-specific community action plans, including (a) provision of training for developing income-generating activities, (b) support to potential small-scale entrepreneurs to develop business plans and partnerships for conservation-linked investment initiatives, (c) support for indigenous practices for sustainable land use, (d) strengthening of community linkages with government programs and service providers, and (e) the possible introduction of energy-saving technologies to reduce unsustainable dependency on natural resources.
- 2.3. Mainstreaming of Conservation in District Development Planning. Support for: (i) the review of institutional constraints and opportunities for advancing the conservation agenda through district development planning and by-laws; and (ii) the provision of training to conservation staff and local officials to support decentralized conservation management processes.

Part 3. Project Management, Monitoring and Evaluation

Support for the overall coordination and the day-to-day administration, procurement, financial management, monitoring, evaluation and audit of the Project.

SCHEDULE 2

Project Execution

Section I. Institutional and Implementation Arrangements

A. National Steering Committee

1. The Recipient shall maintain, at all times during the implementation of the Project, a National Steering Committee with a mandate, composition and resources satisfactory to the World Bank.
2. Without limitation upon the provisions of paragraph 1 of this Part A, the National Steering Committee shall be chaired by the Director of the Forestry Division of MAFFS and include as members the project manager referred to Part B.2 of this Section and representatives of the Forestry Division of MAFFS, the Ministry of Finance and Economic Development, the Ministry of Internal Affairs, Local Government and Rural Development, the Ministry of Lands, Country Planning and Environment, the Ministry of Fisheries and Marine Resources, the Ministry of Mineral Resources, the Ministry of Tourism and Cultural Affairs, the Sierra Leone Environmental Protection Agency/Board (or any successors to the aforesaid entities), a representative of local non-governmental organizations, a community representative from each conservation site and from other stakeholders as appropriate.
3. Without limitation upon the provisions of paragraph 1 of this Part A, the National Steering Committee shall meet twice yearly or more often if required and be responsible for, *inter alia*: (a) facilitating the coordination of Project activities among the entities represented on the committee; (b) providing strategic and policy direction on biodiversity conservation activities supported under the Project; (c) facilitating the removal of any obstacles to the implementation of the Project; and (d) reviewing and approving the Annual Work Plans and Budgets for the Project.

B. Forestry Division; Project Management Team; Conservation Site Management Teams and Committees

1. The Forestry Division of MAFFS shall be responsible for the overall implementation of the Project.
2. Without limitation upon the provisions of paragraph 1 of this Part B, the Recipient shall maintain, at all times during the implementation of the Project, a project management team within the Forestry Division of MAFFS: (a) headed by a project manager and staffed by personnel in numbers and with

qualifications, terms of reference and resources satisfactory to the World Bank; and (b) responsible for the day-to-day administration and monitoring of the Project and for reporting to the Director of the Forestry Division of MAFFS and the World Bank on all matters pertaining to the implementation of the Project and the use of the proceeds of the Grant.

3. Without limitation upon the provisions of paragraph 1 of this Part B, the Recipient shall maintain, at all times during the implementation of the Project, conservation site management teams for each conservation site selected for support under the Project: (a) headed by a conservation site manager and staffed by personnel in numbers and with qualifications, terms of reference and resources satisfactory to the World Bank; and (b) responsible for the planning and management of conservation, information and outreach activities in the respective conservation sites selected for support under the Project, and for reporting to the project manager and the World Bank on all matters pertaining to the implementation of Project activities and the use of the proceeds of the Grant in respect of the relevant conservation site.
4. Without limitation upon the provisions of paragraph 1 of this Part B, the Recipient shall maintain, at all times during the implementation of the Project, conservation site management committees for each conservation site selected for support under the Project: (a) chaired by the chairperson of the relevant district council, and including as members the relevant conservation site manager and representatives of local communities, non-governmental organizations and other relevant stakeholders; and (b) responsible for guiding and facilitating the planning and coordination of Project activities in the respective conservation site.

C. Environmental and Social Safeguards

1. The Recipient shall ensure that the Project is carried out in accordance with the Environmental and Social Impact Assessment, the Resettlement Policy Framework and the Process Framework, and shall, prior to implementing any conservation-site specific activities:
 - (a) prepare, disclose, consult upon and implement in a manner satisfactory to the World Bank, a site-specific environmental and social impact assessment and management plan, in accordance with the ESIA; and
 - (b) prepare, disclose, consult upon and implement in a manner satisfactory to the World Bank, a site-specific resettlement action plan and/or community action plan, in accordance with the ESIA, the RPF and the PF.

2. The Recipient shall not amend, abrogate or waive, or permit to be amended, abrogated or waived, the ESIA, the RPF, the PF, and any resettlement action plans, community action plans or environmental and social impact assessments and plans prepared pursuant to paragraph 1 of this Part C, or any provision thereof, without the prior written approval of the World Bank.
3. The Recipient shall ensure that the Project Reports referred to in Part A of Section II of this Schedule include adequate information on monitoring the measures defined in the ESIA, the RPF, the PF, and any resettlement action plans or environmental and social impact assessments and plans prepared pursuant to paragraph 1 of this Part C.

D. Project Implementation Manual

1. The Recipient shall adopt a project implementation manual, in form and substance satisfactory to the World Bank, containing detailed arrangements and procedures for: (a) institutional coordination and day-to-day execution of the Project; (b) Project budgeting, disbursement and financial management; (c) procurement; (d) environmental and social safeguard guidelines; (e) monitoring, evaluation, reporting and communication; and (f) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the Project.
2. The Recipient shall carry out the Project in accordance with the guidelines and procedures set out in the PIM (provided, however, that in case of any conflict between the arrangements and procedures set out in the PIM and the provisions of this Agreement, the provisions of this Agreement shall prevail) and, except as the World Bank shall otherwise agree in writing, shall not amend, abrogate or waive any provision of the PIM.

E. Annual Work Plans and Budgets

1. The Recipient shall prepare and furnish to the World Bank for its approval, not later than December 1 of each year during the implementation of the Project, an Annual Work Plan and Budget containing all eligible Project activities and expenditures planned for the following Fiscal Year.
2. The Recipient shall ensure that the Project is implemented in accordance with the Annual Work Plan and Budget approved for the respective Fiscal Year; provided, however, that in case of any conflict between any Annual Work Plan and Budget and the provisions of this Agreement, the provisions of this Agreement shall prevail.

F. Conservation Site Management Plans

The Recipient shall prepare a conservation site management plan, in form and substance satisfactory to the World Bank, for each conservation site supported under the Project, and shall thereafter implement each such plan in a manner satisfactory to the World Bank.

G. 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 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 below in paragraph 2 of this Part. Each Project Report shall cover the period of six calendar months, and shall be furnished to the World Bank not later than one month after the end of the period covered by such report.
2. The performance indicators referred to in paragraph 1 of this Part consist of the following: (a) management effectiveness in selected priority conservation sites supported by the Project has improved by at least 20%; and (b) a phased plan for replication of best practices in conservation site management has been adopted by MAFFS.
3. The Recipient shall: (a) on or about the date twenty four (24) months after the Effective Date, submit to the World Bank a mid-term report, in such detail as the World Bank shall reasonably request, documenting progress achieved in the carrying out of the Project during the period preceding the date of the mid-term report, taking into account the monitoring and evaluation activities performed pursuant to paragraphs 1 and 2 of this Part A, and setting out the measures recommended to ensure the efficient carrying out of the Project and the achievement of the objectives thereof during the period following such date; and (b) review with the World Bank the mid-term report, on or about the date one month after its submission, and thereafter take all measures required to ensure the efficient implementation of the Project and the achievement of its objectives, based on the conclusions and recommendations of the mid-term report and the World Bank's views on the matter.
4. The Recipient shall 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 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 not later than 45 days after the end of each calendar quarter, covering the quarter, in form and substance satisfactory to the World Bank.
3. The Recipient shall 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 fiscal year of the Recipient. The audited Financial Statements for each such period shall be furnished to the World Bank not later than six months after the end of such period.
4. The Recipient shall, not later than four months after the Effective Date, appoint the independent auditors referred to in Section 2.07 (b) of the Standard Conditions, in accordance with the provisions of Section III of this Schedule, with qualifications, experience and terms of reference satisfactory to the World Bank.

Section III. Procurement**A. General**

1. **Goods.** All goods 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 Section I of the Procurement Guidelines, and with the provisions of this Section.
2. **Consultants' Services.** All consultants' 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 Sections I and IV of the Consultant Guidelines, and with the provisions of this Section.
3. **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. **International Competitive Bidding.** Except as otherwise provided in paragraph 2 below, goods and works shall be procured under contracts awarded on the basis of International Competitive Bidding.
2. **Other Methods of Procurement of Goods and Works.** The following methods, other than International Competitive Bidding, may be used for procurement of goods and works for those contracts specified in the Procurement Plan: (a) National Competitive Bidding, subject to the provisions of paragraph 3 of this Part B; (b) Shopping; (c) Direct Contracting; (d) Procurement from the United Nations Office for Project Services; and (e) Community Participation procedures which have been found acceptable to the World Bank.
3. **Exceptions to National Competitive Bidding Procedures.** The following provisions shall apply to the procurement of goods under National Competitive Bidding procedures: (a) foreign bidders shall be allowed to participate in National Competitive Bidding procedures; (b) bidders shall be given at least 28 days from the receipt of notification of award to submit performance securities; (c) no domestic preference shall be given for domestic bidders and for domestically manufactured goods; and (d) in accordance with paragraph 1.14(e) of the Procurement Guidelines, each bidding document and contract financed out of the proceeds of the Grant shall provide that: (i) the bidders, suppliers, contractors and subcontractors shall permit the World Bank, at its request, to inspect their accounts and records relating to the bid submission and performance of the contract, and to have said accounts and records audited by auditors appointed by the World Bank; and (ii) the deliberate and material violation by the bidder, supplier, contractor or subcontractor of such provision may amount to an obstructive practice as defined in paragraph 1.14(a)(v) of the Procurement Guidelines.

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 for those assignments which are specified in the Procurement Plan: (a) Selection under a Fixed Budget; (b) Least Cost Selection; (c) Selection based on Consultants' Qualifications; (d) Single-source

Selection; (e) Selection of Individual Consultants; and (f) Sole Source Procedures for the Selection of Individual Consultants.

D. Review by the World Bank of Procurement Decisions

1. The Procurement Plan shall set forth those contracts which shall be subject to the World Bank's Prior Review. All other contracts shall be subject to Post Review by the World Bank.
2. All terms of reference for consultants' services, regardless of contract value, shall be subject to the World Bank's Prior Review.
3. All training, workshop and study tour activities under the Project shall be specified in the relevant Annual Work Plan and Budget for approval by the World Bank, including: (a) the type of training, workshop or study tour; (b) the purpose of the training, workshop or study tour; (c) the personnel to participate in the training, workshop or study tour; (d) the institution or individual who will conduct the training, workshop or study tour; (e) the location and duration of the training, workshop or study tour; (f) the cost of the training, workshop or study tour; and (g) the outcome and impact of the training, workshop or study tour.

Section IV. Withdrawal of Grant Proceeds

A. General

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 100% of Eligible Expenditures consisting of works, goods, consultants' services including audit, Operating Costs, and Training, Workshops and Study Tours, inclusive of Taxes, in accordance with the Annual Work Plan and Budget for the respective Fiscal Year.

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 date of this Agreement.
2. The Closing Date referred to in Section 3.06 (c) of the Standard Conditions is December 1, 2014.

APPENDIX**Section I. Definitions**

1. “Annual Work Plan and Budget” means the plan and budget referred to in Section I.E of Schedule 2 to this Agreement.
2. “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.
3. “Consultant Guidelines” means the “Guidelines: Selection and Employment of Consultants by World Bank Borrowers” published by the Bank in May 2004 and revised in October 2006.
4. “Effective Date” means the date referred to in Section 5.03 of this Agreement.
5. “Environmental and Social Impact Assessment” and “ESIA” means the Recipient’s assessment dated July 2009, defining potential environmental, physical cultural property and social impacts associated with the implementation of any activities under the Project, and describing measures to manage such impacts, together with adequate institutional, monitoring and reporting arrangements capable of ensuring proper implementation of, and regular feedback on compliance with, the said assessment’s terms.
6. “Fiscal Year” means the Recipient’s fiscal year commencing January 1 and ending December 31 of each year
7. “MAFFS” means the Recipient’s Ministry of Agriculture, Forestry and Food Security.
8. “National Steering Committee” means the Recipient’s committee referred to in Section I.A of Schedule 2 to this Agreement.
9. “Operating Costs” means the operating costs incurred for the purposes of the implementation of the Project including maintenance of vehicles and equipment, fuel, office supplies, utilities, consumables, banking charges, advertising expenses, travel, per diems, accommodation, field allowances, and salaries of selected support staff, but excluding salaries of consultants and salaries of officials of the Recipient’s civil service.
10. “Process Framework” and “PF” means the Recipient’ framework dated July 2009, as the said framework may be amended and/or supplemented from time to time with the prior written approval of the World Bank, describing the process by

which potentially affected communities will participate in conservation site planning and management, criteria for eligibility of affected persons will be determined, livelihood improvement or restoration measures will be identified, and potential conflicts or grievances will be resolved, together with adequate institutional, monitoring and reporting arrangements capable of ensuring proper implementation of, and regular feedback on compliance with, the said framework's terms.

11. "Procurement Guidelines" means the "Guidelines: Procurement under IBRD Loans and IDA Credits" published by the Bank in May 2004 and revised in October, 2006.
12. "Procurement Plan" means the Recipient's procurement plan for the Project, dated November 2, 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.
13. "Project Implementation Manual" and "PIM" mean the Recipient's Project Implementation Manual referred to in Section I.D of Schedule 2 to this Agreement.
14. "Resettlement Policy Framework" and "RPF" means the Recipient's framework dated July 2009, as the said framework may be amended and/or supplemented from time to time with the prior written approval of the World Bank, defining the principles governing any land acquisition or land use or access restriction, resettlement, compensation and livelihood improvement or restoration associated with the implementation of Project activities, together with adequate institutional, monitoring and reporting arrangements capable of ensuring proper implementation of, and regular feedback on compliance with, the said framework's terms.
15. "Standard Conditions" means the "Standard Conditions for Grants Made by the World Bank Out of Various Funds", dated July 1, 2008.
16. "Training, Workshops and Study Tours" means the costs associated with the participation of personnel involved in Project supported activities in training activities, study tours and workshops, including travel and subsistence costs for training, study tour and workshop participants, costs associated with securing the services of trainers, rental of training and workshop facilities, preparation and reproduction of training and workshop materials, and other costs directly related to study tours or training course or workshop preparation and implementation.