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**CONFORMED COPY**

**GRANT NUMBER H524-LR**

# **Financing Agreement**

**(WEST AFRICA REGIONAL FISHERIES PROGRAM (Phase I))**

**between**

**REPUBLIC OF LIBERIA**

**and**

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

**Dated January 12, 2010**

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**GRANT NUMBER H524-LR**

**FINANCING AGREEMENT**

AGREEMENT dated January 12, 2010, entered into between REPUBLIC OF LIBERIA (“Recipient”) and INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”). The Recipient and the Association hereby agree as follows:

**ARTICLE I — GENERAL CONDITIONS; DEFINITIONS**

- 1.01. The General 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 General Conditions or in the Appendix to this Agreement.

**ARTICLE II — FINANCING**

- 2.01. The Association agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a grant in an amount equivalent to five million eight hundred thousand Special Drawing Rights (SDR 5,800,000) (variously, “Grant” and “Financing”) to assist in financing the project described in Schedule 1 to this Agreement (“Project”).
- 2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section IV of Schedule 2 to this Agreement.
- 2.03. The Maximum Commitment Charge Rate payable by the Recipient on the Unwithdrawn Financing Balance shall be one-half of one percent (1/2 of 1%) per annum.
- 2.04. The Payment Dates are June 30 and December 31 in each year.
- 2.05. The Payment Currency is the US Dollar.

### **ARTICLE III — PROJECT**

- 3.01. The Recipient declares its commitment to the objectives of the Project and the Program. To this end, the Recipient shall carry out Parts A.1(a), (b), (c) (d) and (e), A.2, A.3(a), B.1(a), B.2, C.1, C.2(b), D.1 and D.2 of the Project through the BNF, and cause Parts A.1(f), A.3(b), B.1(b), B.3, C.2(a), and D.3 of the Project to be carried out by CSR, in accordance with the provisions of Article IV of the General Conditions and the Project Agreement.
- 3.02. Without limitation upon the provisions of Section 3.01 of this Agreement, and except as the Recipient and the Association shall otherwise agree, the Recipient shall ensure that the Project is carried out in accordance with the provisions of Schedule 2 to this Agreement and the Project Agreement.

### **ARTICLE IV — REMEDIES OF THE ASSOCIATION**

- 4.01. The Additional Events of Suspension consist of the following:
  - (a) The Project Implementing Entity Legislation has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of the Project Implementing Entity to perform any of its obligations under the Project Agreement; or the Fisheries Legislation has been amended, suspended, abrogated, repealed supplemented, replaced or waived so as to render it in contradiction with the Recipient's applicable international environmental obligations or so as to otherwise affect materially and adversely the ability of the Recipient or of the Project Implementing Entity to perform any of its obligations under the Financing Agreement or the Project Agreement, as the case may be or to achieve the objectives of the Project.
  - (b) Any of the Participating Countries' Financing Agreements (other than this Agreement) or the Participating Countries' GEF Agreements has failed to become effective by June 30, 2010, or such later date as the Association shall establish by notice to the Recipient.
  - (c) The Association has suspended in whole or in part the right of any of the Participating Countries (other than the Recipient) to make withdrawals under its respective Participating Country Financing Agreement.

**ARTICLE V — EFFECTIVENESS; TERMINATION**

- 5.01. The Additional Conditions of Effectiveness consist of the following:
- (a) The Subsidiary Agreement has been executed on behalf of the Recipient and the Project Implementing Entity;
  - (b) the GEF Grant Agreement has been executed and delivered and all conditions precedent to its effectiveness or to the right of the Recipient to make withdrawals under it (other than the effectiveness of this Agreement) have been fulfilled;
  - (c) the Recipient has adopted the Project Operational Manual and the Administrative and Financial Manual, both in form and substance satisfactory to the Association; and
  - (d) The Recipient has established the PIU and the Steering Committee in accordance with the provisions of Section I. A.3 of Schedule 2 to this Agreement, and has recruited a qualified and experienced national coordinator for the PIU, under terms of reference and terms and conditions acceptable to the Association.
- 5.02. The Additional Legal Matter consists of the following, namely that the Subsidiary Agreement has been duly authorized or ratified by the Recipient and the Project Implementing Entity and is legally binding upon the Recipient and the Project Implementing Entity in accordance with its terms.
- 5.03. The Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.
- 5.04. For purposes of Section 8.05 (b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty years after the date of this Agreement.

**ARTICLE VI — REPRESENTATIVE; ADDRESSES**

6.01. The Recipient's Representative is the Minister of the Recipient in charge of finance.

6.02. The Recipient's Address is:

Minister of Finance  
Ministry of Finance  
Broad Street  
1000 Monrovia 10  
Republic of Liberia

6.03. The Association's Address is:

International Development Association  
1818 H Street, N.W.  
Washington, D.C. 20433  
United States of America

Cable:

Telex:

Facsimile:

INDEVAS  
Washington, D.C.

248423 (MCI)

1-202-477-6391

AGREED at Monrovia, Republic of Liberia, as of the day and year first above written.

**REPUBLIC OF LIBERIA**

**By: /s/ Augustine Kpehe Ngafuan**  
**Authorized Representative**

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

**By: /s/ Ohene Owusu Nyanin**  
**Authorized Representative**

## **SCHEDULE 1**

### **Project Description**

The objective of the Project is to strengthen the capacity of the Recipient to govern and manage targeted fisheries, reduce illegal fishing and increase local value added to fish products.

The Project consists of the following parts:

#### **Part A: Good Governance and Sustainable Management of the Fisheries**

##### **1. Good Governance of Fisheries**

- (a) The finalization and implementation of a new appropriate fisheries policy and regulatory framework, and the preparation and negotiation of international fisheries agreements, through the provision of legal and policy advisory services and Training.
- (b) The carrying out of a program to strengthen the capacity of the BNF to register small-scale fishing vessels, including the establishment and maintenance of a fishing vessel registry.
- (c) The carrying out of a program to strengthen the BNF's capacity to assess the status of key fish stocks, conduct fisheries research and collect and analyze fisheries statistics, through the provision of technical assistance and Training.
- (d) The establishment of an appropriate system of information and analysis within the BNF for the management of fisheries, linked to the Regional Information Platform to be introduced by CSRP under Part A.1 (f) of the Project.
- (e) The preparation and implementation through the BNF of appropriate fisheries management plans (and related licensing procedures and fees) that set quotas for sustainable exploitation of targeted fisheries, and create rights and allocation mechanisms for exploitation of such quotas, such plans to be developed and updated on the basis of the assessments of the status of key fishing stocks.

- (f) The development and introduction by CSRP of a system of regional information and analysis for the management of the Participating Countries' fisheries, such system to include the key biological, economic and social statistics regarding fisheries.

## **2. Fishing Co-Management**

The introduction of a system of co-management of the Recipient's coastal fishing resources by the Recipient and local fishing communities, in order to establish TURFs along the coast, through:

- (i) the establishment and operationalization of CMAs and eventually TURFs;
- (ii) the provision of Training (and related equipment) to CMA members, fishing communities and fishers on such matters as appropriate co-management of fisheries, business management and marketing strategies, environmental health of shorelines;
- (iii) the provision of Training (and related equipment) for the BNF's head office and field staff and fisheries inspectors on such matters as co-management of the fisheries and establishment of TURFs, community facilitation; new fishing methods and business models in local communities and private fisheries micro-credit access to the communities;
- (iv) the construction of community fisheries centers for CMAs and provision of equipment for those centers;
- (v) the provision of improved ovens for processing fish to women processors and the provision of Training to women in the community on the operation and maintenance of such ovens; and
- (vi) the provision of safety navigation systems for small-scale fishing vessels and Training for fishers in their use.

## **3. Social Marketing, Communication and Transparency**

- (a) The design and implementation by the BNF of communications strategies, consultations and marketing campaigns to improve public knowledge of the new fisheries policies developed under the Project; and



- (b) the carrying out of a Training program to facilitate the development of an active network of local journalists within the region to cover and report on the fisheries management issues and progress with Program implementation, such program to include the provision of small equipment and travel expenses for network journalists.

## **Part B: Reduction of Illegal Fishing**

### **1. Enabling Environment**

- (a) The development of an appropriate and sustainable regulatory and institutional framework and plan for the civilian-led monitoring of the Recipient's coastal fisheries resources and the civilian-led surveillance and management of fishing along the Recipient's coast; and
- (b) the carrying out by CSRP of a program of technical assistance for the Participating Countries to facilitate their development and implementation of financial mechanisms to provide stable and adequate support for the long-term operating costs of the fisheries surveillance system in their respective territories.

### **2. Monitoring, Control and Surveillance Systems**

The carrying out of programs designed to ensure the appropriate and sustainable civilian-led surveillance of fishing activities along the Recipient's coast, consisting of:

- (a) The construction of a fisheries monitoring center and headquarters for the BNF and the provision of communication systems, a vessel monitoring system data reception platform, computer systems and office automation material and vehicles for the BNF.
- (b) The carrying-out of studies and provision of Training and technical assistance to the BNF in the general management of surveillance activities and operations.
- (c) The construction of up to two coastal stations along the coast of the Recipient and the provision for each coastal station of communication and computer systems, office supplies, vehicles, and a replication of the vessel monitoring system data reception platform located at the BNF's fisheries monitoring center constructed under Part B. 2(a) of the Project.

- (d) The development and operation of civilian-led sea and aerial patrols of fishing activities along the Recipient's coast.
- (e) The restructuring and upgrading of the Recipient's fisheries observer program whereby inspectors of the BNF are placed on board of industrial fishing vessels for the purpose of monitoring the operations of these vessels to ensure they comply with fishing regulations and accurately record fish catch levels.

### **3. Strengthened Regional Collaboration for Monitoring, Control and Surveillance of Fishing**

The carrying out by CSRP of a training program to assist the Participating Countries in their implementation of the Fish Catch Certification Scheme and their preparation of bilateral cooperation agreements, and the performance of periodic reviews and audits by an independent group of experts, of the fisheries surveillance activities financed under the Project.

### **Part C: Increasing the Contribution of Marine Fish Resources to the Local Economies**

1. **Fish Landing Site Clusters.** The establishment of integrated fish landing site clusters to operate as special economic zones, through:
  - (i) the construction of basic infrastructure in Robertsport, including the construction of a jetty, the installation of a water supply system, the extension of solar street lighting, and repair of the existing water pipe;
  - (ii) the construction of an integrated landing site cluster in Robertsport, including a hygiene block and septic tank, an ice plant, cold stores and common service centers and the provision of extension services such as a set up of fishery material store, net and crates repair, and Training in the maintenance of the cold chains;
  - (iii) the preparation of a tender for the concession of such basic infrastructure; and
  - (iv) the replication of the integrated fish landing site cluster at Robertsport at one other site.

## 2. **Fish Product Trade Infrastructure, Information and Systems**

The development and implementation of a system of quality control and proactive trade information services for fish products, aimed at supporting increased value added and the expansion of exports of these products from West Africa, such system to include:

- (a) The creation of a proactive fisheries trade information system housed at the CSRP for targeted supply chains in each Participating Country and product identification cards for selected fisheries, and provision of Training on the establishment of traceability systems, to support the quality control system to be developed under Part C. 2(b) of the Project.
- (b) The development of a quality control system consisting of a certified public laboratory and competent sanitary authority and relevant protocols and standards for product quality and traceability.

## **Part D: Coordination, Monitoring and Evaluation and Program Management**

### 1. **Technical Assistance for National Implementation**

The provision of technical assistance to support the PIU for (i) the preparation of Annual Work Plans and the updating of procurement plans and related budgets Annual Work Plans, Procurement Plans and Budgets; as well as (ii) the monitoring and evaluation of the Project.

### 2. **Operating Costs for National Implementation**

The provision of Operating Costs, Training and goods to the PIU for the implementation of the Project.

### 3. **Regional Coordination**

The carrying out of a program by CSRP to: (i) facilitate the harmonization of fisheries policy among the Participating Countries; (ii) monitor and evaluate Program investments and share information and results throughout the Participating Countries; (iii) implement ongoing communication activities to raise awareness about the Program and implementation progress; and (iv) provide implementation support to each of the Participating Countries, including the coordination of regional procurement.

## SCHEDULE 2

### Project Execution

#### Section I. Implementation Arrangements

##### A. Institutional Arrangements

1. The Ministry of the Recipient in charge of fisheries, through its BNF, shall be in charge of overall implementation of the Project. To this end, the Recipient shall, throughout Project implementation, maintain the BNF with adequate financial and human resources for the Project.
  
2. The Recipient shall take all measures required on its part to ensure the establishment not later than three (3) months after the Effective Date, of a regional steering committee for the Program (the “Regional Steering Committee”) and a regional coordination unit within CSRP (the “RCU”), and their maintenance throughout Project implementation, with responsibilities and procedures set forth below and with composition, functions and resources satisfactory to the Association:

##### (a) **Regional Steering Committee**

- (i) The Regional Steering Committee shall be comprised of the directors of the departments responsible for fisheries in each of the Participating Countries, shall be chaired by one of such directors on a rotating basis, and shall meet at least twice a year. The RCU shall act as secretariat for the Regional Steering Committee.
  
- (ii) Without limitation upon the provisions of sub-paragraph (a)(i) of this Section, the Regional Steering Committee shall be responsible for:
  - (A) reviewing activities proposed to be carried out by CSRP under the Program, including the Project, and the related procurement plans and budgets therefor;
  
  - (B) providing overall policy guidance on the Program;

- (C) developing mechanisms designed to strengthen the collaboration of the Participating Countries in respect of the Program; and
    - (D) identifying necessary Program adjustments based on monitoring and evaluation results.
  - (b) **Regional Coordination Unit** shall be established within the CSRP and shall be responsible for coordinating the implementation of CSRP's and the Participating Countries' activities under the Program, including the Project.
- 3. The Recipient shall establish and thereafter maintain throughout Project implementation, a Project steering committee (the "Steering Committee") and a Project implementation unit (the "PIU"), with responsibilities set forth below and with composition, functions and resources satisfactory to the Association:
  - (a) **Steering Committee**
    - (i) The Steering Committee shall be chaired by the Minister of Agriculture, and be comprised, *inter alia*, of representatives of Ministry of Agriculture, Ministry of Justice, MoF, Port Authority, Environmental Protection Agency; UNMIL; and shall meet at least quarterly.
    - (ii) Without limitation upon the provisions of sub-paragraph (a)(i) of this Section, the Steering Committee shall be responsible for:
      - (A) reviewing the proposed Annual Work Plans for the Project, as well as the updated Procurement Plans and related budgets prepared by the PIU;
      - (B) overseeing overall performance of the Project and providing policy guidance; and
      - (C) identifying necessary Project adjustments based on monitoring and evaluation results.

**(b) Project Implementation Unit**

- (i) The PIU shall be staffed with qualified and experienced personnel in adequate numbers, including, *inter alia*, a coordinator, an accountant, a procurement specialist, and an assistant coordinator, all with qualifications and experience satisfactory to the Association.
  - (ii) Without limitation upon the provisions of sub-paragraph (b)(i) of this Section, the PIU shall be responsible for day-to-day Project coordination and implementation, including:
    - (A) preparing proposed Annual Work Plans for inclusion in the Project, and updating the Procurement Plans and related budgets and consolidated Project reports, and sending same to CSRP;
    - (B) developing a communication and outreach strategy;
    - (C) updating and maintaining the Project Management Information System located at the MoF; and
    - (D) monitoring and evaluating the Project and preparing Project progress reports and monitoring and evaluation reports for the meetings of the Steering Committee.
4. The Project Financial Management Unit within the MoF shall be responsible for the financial management activities of the Project and shall maintain for such purpose, throughout Project implementation, the accountant hired by the PIU with functions and resources satisfactory to the Association.
5. The unit for infrastructure investments within the Ministry of Public Works shall be responsible for the national procurement activities of the Project and shall maintain for such purpose, throughout Project implementation, the procurement specialist hired by the PIU with functions and resources satisfactory to the Association.

**B. Subsidiary Agreement**

1. To facilitate the carrying out of the Project Implementing Entity's Respective Part of the Project, the Recipient shall make the proceeds of the Financing allocated from time to time to Category (4) available to the Project Implementing Entity on a grant basis, under a Subsidiary Agreement between the Recipient and the Project Implementing Entity, under terms and conditions approved by the Association ("Subsidiary Agreement").
2. The Recipient shall exercise its rights under the Subsidiary Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive the Subsidiary Agreement or any of its provisions.

**C. Anti-Corruption**

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

**D. Manuals**

1. The Recipient shall prepare under terms of reference acceptable to the Association, and furnish to the Association: (a) an operational manual for the Project, setting forth the detailed arrangements and procedures for: (i) institutional coordination and day-to-day execution of the Project; (ii) disbursement and financial management; (iii) procurement; (iv) environmental and social safeguards management; (v) monitoring, evaluation, reporting and communication; (vi) the Recipient's action plan for the implementation of the Regional Process Framework; (vii) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the Project; and (viii) standard forms of protocols to govern the leasing of MCS equipment; and (b) an administrative and financial manual setting out the administrative and financial management arrangements for the Project.
2. The Recipient shall afford the Association a reasonable opportunity to exchange views with the Recipient on both such manuals, and thereafter shall adopt and carry out the Project in accordance with such operational and administrative and financial manuals as shall have been found satisfactory to the Association.
3. The Recipient shall not amend, abrogate, repeal, suspend, waive, or otherwise fail to enforce, or permit to be amended, abrogated, repealed, suspended or waived, the Project Operational Manual or the Administrative and Financial

Manual, or any provision thereof, without the prior written approval of the Association. In case of inconsistency between this Agreement, on the one hand, and the Project Operational Manual and/or the Administrative and Financial Manual, on the other hand, the terms of this Agreement shall prevail.

**E. Annual Work Plans**

1. The Recipient shall prepare, under terms of reference satisfactory to the Association, and furnish to the Association not later than January 15 in each calendar year, for the Association's consideration, a proposed work plan of activities to be included in the Project for the following calendar year, such plan to include an implementation schedule and budget and financing plan therefor. If any activities proposed for inclusion in the Project would, pursuant to the Social and Environmental Safeguard Frameworks, require one or more Supplemental Social and Environmental Safeguard Instruments, the Recipient shall prepare and furnish, together with such proposed work plan, a draft of each such Supplemental Social and Environmental Safeguard Instrument.
2. The Recipient shall afford the Association a reasonable opportunity to review and exchange views with the Recipient on such proposed plan and any such instruments, and thereafter, shall implement such work plan and such instruments as shall have been approved by the Association, with due diligence.

**F. Safeguards**

1. The Recipient shall ensure that the Project is implemented in accordance with the provisions of the Social and Environmental Safeguard Frameworks and each of the Supplemental Social and Environmental Safeguard Instruments in a manner satisfactory to the Association, and the Recipient shall not amend or waive any provision of the aforementioned without the prior written agreement of the Association.
2. Without limitation upon its other reporting obligations under this Agreement, the Recipient shall collect, compile and furnish to the Association on a quarterly basis reports on the status of compliance with the Social and Environmental Safeguard Frameworks and Supplemental Social and Environmental Safeguard Instruments, giving details of:
  - (a) measures taken in furtherance of such frameworks and instruments;
  - (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of such frameworks and instruments; and



- (c) remedial measures taken or required to be taken to address such conditions.
3. The Recipient shall promptly take all remedial measures referred to in paragraph 2 of this Section as shall have been agreed by the Association.

**G. MCS**

In order to ensure the proper implementation of Part B of the Project and more generally the monitoring, control and surveillance of its coastal fisheries in a manner designed to achieve the objectives of the Program, the Recipient shall ensure at all times that:

1. All MCS activities carried out by the Recipient shall be under the control of the BNF or, subject to the prior written consent of the Association, another civilian agency of the Recipient acceptable to the Association, and shall be carried out by civilian authorities under terms of reference limited to fisheries surveillance.
2. In accordance with Section 4.06 of the General Conditions, the Recipient shall ensure that all goods, works, services and Operating Costs financed out of the proceeds of the Financing are used exclusively by civilian authorities for the purposes of the Project, and not for any military purpose, or for any criminal investigation or proceedings, or for any other purposes unrelated to the objectives of the Project.
3. Each surveillance mission carried out by the Recipient shall be:
  - (a) governed by detailed protocols prepared in accordance with terms of reference satisfactory to the Association, requiring that such missions be:
    - (i) under the operational command or authority of a civilian fisheries officer; and (ii) conducted during a specific time period that is duly recorded and documented; and
  - (b) conducted by personnel who have been properly trained in the operation of any equipment used in the surveillance mission.
4. The Recipient shall ensure that all MCS activities carried out under the Project are audited periodically by an independent group of experts, whose qualifications, experience and terms of reference are satisfactory to the Association. To this end, the Recipient shall take all measures required on its part, including provision of all information required and access to all relevant

sites, to enable the Independent Group of Experts to conduct the audits required of them under and in the manner required pursuant to the Project Agreement.

**Section II. Project Monitoring, Reporting and Evaluation**

**A. Project Reports**

1. The Recipient shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 4.08 of the General Conditions and on the basis of indicators set forth below in sub-paragraph (2) of this paragraph. Each Project Report shall cover the period of one calendar semester, and shall be furnished to the Association not later than 45 days after the end of the period covered by such report.
2. The performance indicators referred to above in sub-paragraph (1) consist of the following:
  - (i) number of TURF that has been legally established in targeted coastal fisheries;
  - (ii) reduction of percentage of all known industrial vessels targeting the coastal demersal and the shrimp fisheries that are observed fishing without a license; and
  - (iii) the increase of the combined volume of exports from coastal demersal fisheries and from shrimp fisheries.
3. For purposes of Section 4.08 (c) of the General Conditions, the report on the execution of the Project and related plan required pursuant to that Section shall be furnished to the Association not later than six months after the Closing Date.

**B. Financial Management, Financial Reports and Audits**

1. The Recipient shall maintain or cause to be maintained a financial management system in accordance with the provisions of Section 4.09 of the General Conditions.
2. Without limitation on the provisions of Part A of this Section, the Recipient shall prepare and furnish to the Association not later than 45 days after the end of each

calendar quarter, interim unaudited financial reports for the Project covering the quarter, in form and substance satisfactory to the Association.

3. The Recipient shall have its Financial Statements audited in accordance with the provisions of Section 4.09 (b) of the General Conditions. Each 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 Association not later than six months after the end of such period.

### **Section III. Procurement**

#### **A. General**

1. **Goods and Works.** All goods and works required for the Project and to be financed out of the proceeds of the Financing 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 Financing 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 Association 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 table specifies the methods of procurement, other than International Competitive Bidding, which may be used for goods and works. The Procurement Plan shall specify the circumstances under which such methods may be used:

<b>Procurement Method</b>
(a) National Competitive Bidding
(b) Shopping

**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 table specifies methods of procurement, other than Quality- and Cost-based Selection, which may be used for consultants' services. The Procurement Plan shall specify the circumstances under which such methods may be used.

<b>Procurement Method</b>
(a) Selection Based on Consultants' Qualifications
(b) Selection under a Fixed Budget
(c) Single Source Selection
(d) Least Cost Selection
(e) Individual Consultants
(f) Quality Based Selection

**D. Review by the Association of Procurement Decisions**

Except as the Association shall otherwise determine by notice to the Recipient:

1. The following contracts shall be subject to Prior Review by the Association:
  - (a) for the Recipient's Respective Part of the Project:
    - (i) each contract for goods estimated to cost the equivalent of \$300,000 or more; and
    - (ii) each contract for works estimated to cost the equivalent of \$3,000,000 or more; (iii) each contract for consultants' services provided by a firm estimated to cost the equivalent of \$200,000 or more; (iv) each contract for individual consultants estimated to cost the equivalent of \$100,000 or more; and (v) all contracts procured on the basis of single source or direct contracting.

- (b) for the Project Implementing Entity's Respective Part of the Project:
  - (i) each contract for goods estimated to cost the equivalent of \$500,000 or more; and
  - (ii) each contract for consultants' services provided by a firm estimated to cost the equivalent of \$200,000 or more; (iii) each contract for individual consultants estimated to cost the equivalent of \$100,000 or more; and (iv) all contracts procured on the basis of single source or direct contracting.
- 2. All other contracts shall be subject to Post Review by the Association.

**Section IV. Withdrawal of the Proceeds of the Financing**

**A. General**

- 1. The Recipient may withdraw the proceeds of the Financing in accordance with the provisions of Article II of the General Conditions, this Section, and such additional instructions as the Association shall 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 Association 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 Financing ("Category"), the allocations of the amounts of the Credit to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

<b>Category</b>	<b>Amount of the Credit Allocated (expressed in SDR)</b>	<b>Percentage of Expenditures to be Financed (inclusive of taxes)</b>
(1) Goods, works, Training and services under Part B.1(a) and B.2 of the Project	3,500,000	100%
(2) Goods, works,	1,200,000	

<b>Category</b>	<b>Amount of the Credit Allocated (expressed in SDR)</b>	<b>Percentage of Expenditures to be Financed (inclusive of taxes)</b>
Training and services under Parts C.1 and C.2(b) of the Project		100%
(3) Goods, Training, and Operating Costs under Part D.2 of the Project	600,000	100%
(4) Goods, Training, Operating Costs and services (including audits) of CSRP under Parts A.1(f), A.3(b), B.1(b), B.3, C.2(a) and D.3 of the Project	500,000	17%
<b>Total Amount</b>	<b>5,800,000</b>	

**B. Withdrawal Conditions; Withdrawal Period**

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made for:
  - (a) payments made prior to the date of this Agreement; or
  - (b) under Category (1) unless the Recipient has adopted a new regulation under the existing Fisheries Act, acceptable to the Association, in order to clarify the scope of the Fisheries Act, the responsibility of the BNF for fisheries surveillance, and set new fines and fee structures (including the use of aerial photos as admissible evidence of infractions) and ensure its consistency with UNCLOS; or
  - (c) under Category (4) until the Association shall be satisfied, based on evidence satisfactory to it, that the Regional Steering Committee and the Regional Coordinating Unit shall have both been established in accordance with the provisions of Section I.A.2 of Schedule 2 to this

Agreement; and the CSRP has adopted the Regional Operational Manual and Regional Administrative and Financial Manuals in accordance with the provisions of Section I.C of the Project Agreement.

2. The Closing Date is December 15, 2014.

**Section V. Other Undertakings**

1. The Recipient shall:
  - (a) by no later than four months after the Effective Date, or such later date as may be agreed upon by the Recipient and the Association in writing, recruit in accordance with the provisions of Section III of this Schedule, the external auditors which shall conduct the audits of the Financial Statements under Section II B of this Schedule, under terms of reference and conditions acceptable to the Association;
  - (b) by no later than two months after the Effective Date, or such later date as may be agreed upon by the Recipient and the Association in writing, recruit an assistant internal auditor for the Project under terms of reference and on terms and conditions acceptable to the Association;
  - (c) by no later than four months after the Effective Date, or such later date as may be agreed upon by the Recipient and the Association in writing, and in furtherance of the provisions of Section II B of this Schedule, update the financial management information system for the Project, in form and substance and with functions satisfactory to the Association;
  - (d) by no later than four months after the Effective Date, or such later date as may be agreed upon by the Recipient and the Association in writing, recruit in accordance with the provisions of Section III of this Schedule, the following qualified and experienced staff of the PIU, under terms of reference and terms and conditions acceptable to the Association: an accountant and a procurement specialist.

## APPENDIX

### Definitions

1. “Administrative and Financial Manual” means the manual to be adopted by the Recipient pursuant to Section I.D of Schedule 2 to this Agreement, as the same may be amended from time to time with the prior written approval of the Association, and such term includes any schedules to the Administrative and Financial Manual.
2. “Annual Work Plans” means the annual work plans for the Project approved by the Association in accordance with the provisions of Section I.E of Schedule 2 to this Agreement; and “Annual Work Plan” means any of the Annual Work Plans.
3. “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.
4. “BNF” means the Bureau of National Fisheries located within the Ministry of Agriculture.
5. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
6. “CMA” means TURF Co-Management Associations comprised of fisher chiefs, elected fishers, fish processors, and fish transporters, respected community members, and women representatives to serve on the CMA for a specific term with each ethnic group resident in a community represented on the CMA.
7. “Co-management System” means the system of co-management of fisheries to be developed under Part A.2 of the Project.
8. “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.
9. “CSRP” means the *Commission Sous-Régionale des Pêches*, the sub-regional fisheries commission established and operating pursuant to the CSRP Treaty.



10. “CSRP Treaty” means the inter-governmental convention *Convention portant Création de la Commission Sous-Régionale des Pêches*, dated March 29, 1985 entered into among the member states of the CSRP (Mauritania, Senegal, the Gambia, Guinea-Bissau, Guinea, Cape Verde and Sierra Leone).
11. “Environmental and Social Management Framework” or “ESMF” means the framework included in the EA setting out modalities to be followed in assessing the potential adverse environmental and social impact associated with activities to be implemented under the Project, and the measures to be taken to offset, reduce, or mitigate such adverse impact.
12. “Environmental Assessment” or “EA” means the assessment, dated June 10, 2009 and published by *Infoshop* on June 25, 2009, in form and substance satisfactory to the Association, describing the potential adverse environmental impact of the Project and measures for offsetting, reducing, or mitigating such impact, and including the Environmental and Social Management Framework and the EMPs for the Identified Works, and each subsequent environmental assessment required pursuant to the ESMF for an Annual Work Plan.
13. “Environmental Management Plan” or “EMP” means the environmental management plans included in the EA for the Identified Works and any subsequent environmental management plan required in connection with an Annual Work Plan, acceptable to the Association, giving details of measures appropriate or required to maximize the benefits of the Project, eliminate, offset or mitigate any adverse environmental impacts, or reduce such impacts to acceptable levels, together with budget and costs estimates, sources of funding, adequate institutional, monitoring and reporting arrangements capable of ensuring proper implementation of, and regular feedback on compliance with, such environmental management plan.
14. “Environmental Protection Agency” means the agency charged by the Recipient for the implementation of environmental regulations.
15. “Fish Catch Certification Scheme” means the certification scheme that will be required pursuant to the European Union Regulation No. 1005/2008 in order to access the European Union market after January 1, 2010.
16. “Fisheries Act” means the Revised Fishing Rules and Regulations, dated 1973 (Title 24 of the Liberian Code of Laws Revised).

17. “Fisheries Legislation” means the Fisheries Act, as amended by the regulation adopted pursuant to Part B.1 (b) of Section IV of Schedule 2 to this Agreement.
18. “GEF Grant Agreement” means the agreement to be entered into the Recipient and the Bank, acting as an implementing agency of the Global Environment Facility, providing for a grant in the amount of three million Dollars (\$3,000,000) to assist in the financing of the Project.
19. “General Conditions” means the “International Development Association General Conditions for Credits and Grants”, dated July 1, 2005 (as amended through October 15, 2006).
20. “Identified Works” means the works for the Project identified in the EA as at June 25, 2009.
21. “Independent Group of Experts” means the panel of experts recruited by CSRP pursuant to Section IV.2 of the Project Agreement to carry out the audits to be performed under Part B.3 of the Project.
22. “MCS” means the monitoring, control, and surveillance of fishing activities.
23. “Ministry of Agriculture” means the Ministry of the Recipient in charge of agriculture.
24. “Ministry of Defense” means the Ministry of the Recipient in charge of defense.
25. “Ministry of Justice” means the Ministry of the Recipient in charge of justice.
26. “Ministry of Public Works” means the Ministry of the Recipient in charge of civil works.
27. “MOF” means the Ministry of the Recipient in charge of finance.
28. “Operating Costs” means incremental recurrent expenditures incurred by the PIU or the CSRP on account of Project implementation including local contractual support staff salaries, employment benefits, travel expenditures and other travel-related allowances; equipment rental and maintenance; vehicle and boat operation (including fuel), maintenance and repair; office rental and maintenance, materials and supplies; and utilities, media information campaigns and communications’ expenses, but excluding the salaries of officials and public

servants of the Recipient's civil service, and excluding the costs of any criminal investigation, prosecution, proceedings or other forms of criminal enforcement.

29. "Participating Countries" means, collectively, the Recipient, the Republic of Cape Verde, the Republic of Senegal and the Republic of Sierra Leone; and "Participating Country" means any of the Participating Countries.
30. "Participating Countries' Financing Agreements" means the financing agreements between each Participating Country and the Association for a project in support of the Program, as such agreement may be amended from time to time; and "Participating Country Financing Agreement" means any of the Participating Countries' Financing Agreements.
31. "Participating Countries' GEF Grant Agreements" means the grant agreements between each Participating Country (excluding the Republic of Senegal) and the International Bank for Reconstruction and Development, acting as implementing agency of the Global Environment Facility, for a project in support of the Program, as such agreement may be amended from time to time; and "Participating Country GEF Grant Agreement" means any of the Participating Countries' GEF Grant Agreements.
32. "PIU" means the project implementation unit to be established within the Ministry of Agriculture of the Recipient in accordance with Section I.A.3 of Schedule 2 to this Agreement
33. "Port Authority" means the Recipient's agency charged with managing the port of Monrovia.
34. "Procurement Guidelines" means the "Guidelines: Procurement under IBRD Loans and IDA Credits" published by the Bank in May 2004 and revised in October, 2006.
35. "Procurement Plan" means the Recipient's procurement plan for the Project, dated June 12, 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.
36. "Program" means the West Africa Regional Fisheries Program of the Participating Countries endorsed by the Conference of Ministers of Fisheries of the member states of the CSRP on October 26 – 27, 2007 and December 5, 2008 and set forth in the minutes of the meeting.

37. “Project Implementing Entity” means CSRP.
38. “Project Implementing Entity Legislation” means the CSRP Treaty.
39. “Project Management Information System” means the financial information management system to be updated under Section V.1 (c) of Schedule 2 of this Agreement.
40. “Project Operational Manual” means the manual to be adopted pursuant to Section I.D of Schedule 2 to this Agreement, as the same may be amended from time to time with the prior written approval of the Association, and such term includes any schedules to the Project Operational Manual.
41. “Regional Administrative and Financial Manual” means the manual to be adopted by the CSRP pursuant to Section I.C of the Schedule to the Project Agreement, as the same may be amended from time to time with the prior written approval of the Association, and such term includes any schedules to the Regional Administrative and Financial Manual.
42. “Regional Annual Work Plans” means the annual work plans for the CSRP’s activities under the Project, approved by the Association in accordance with the provisions of Section I.D of the Schedule to the Project Agreement.
43. “Regional Coordination Unit” or “RCU” has the meaning set forth in Section I.A.2 of Schedule 2 of this Agreement.
44. “Regional Information Platform” means the regional information and analysis system for management of the fisheries to be introduced by CSRP under Part A.1(f) of the Project.
45. “Regional Operational Manual” means the manual to be adopted by the CSRP pursuant to Section I.C of the Project Agreement, as the same may be amended from time to time with the prior written approval of the Association, and such term includes any schedules to the Regional Operational Manual.
46. “Regional Process Framework” means document prepared and adopted by the Recipient on June 15, 2009, and published by Infoshop on June 25, 2009, satisfactory to the Association, to guide the mitigation of potential negative impacts on the livelihoods on populations resident in the targeted areas, as the same may be modified from time to time by agreement between the Recipient and the Association.

47. “Regional Steering Committee” has the meaning set forth in Section I.A.2 of Schedule 2 of this Agreement.
48. “Resettlement Instrument” or “RI” means a resettlement instrument prepared in accordance with the provisions of the Resettlement Policy Framework, and acceptable to the Association setting out the arrangements, including related compensation measures, to be applied in the event of the physical or economic displacement of persons affected by activities to be implemented under the Project, as the same may be modified from time to time with the prior written agreement of the Association, and such term includes any schedules or annexes to said instrument.
49. “Resettlement Policy Framework” or “RPF” means the Resettlement Policy Framework of the Recipient dated June 26, 2009, and disclosed at the Association’s *Infoshop* on July 1, 2009, outlining the policies and procedures to be implemented in the event that specific activities implemented under the Project have potentially negative impacts on the livelihoods, assets and land of the affected population, as the said framework may be amended and/or supplemented from time to time with the prior written consent of the Association, and such term includes any schedules to such document.
50. “Social and Environmental Safeguard Frameworks” means, collectively, the Environmental Assessment, the Environmental and Social Management Framework, Resettlement Policy Framework and the Regional Process Framework.
51. “Steering Committee” means the steering committee for the Project to be established by the Recipient in accordance with the provisions of Section I.A.3 of Schedule 2 to this Agreement.
52. “Subsidiary Agreement” means the agreement referred to in Section I.B of Schedule 2 to this Agreement pursuant to which the Recipient shall make part of the proceeds of the Financing available to the CSRFP.
53. “Supplemental Social and Environmental Safeguard Instruments” means any EMP, RI, or other supplemental social and environmental safeguard instruments as required under the terms of any of the Social and Environmental Safeguard Frameworks.
54. “Training” means the training of persons under the Project, including seminars, workshops, and study tours, and covers the following costs associated with such activity: travel and subsistence costs for training participants, costs associated

with securing the services of trainers, rental of training facilities, preparation and reproduction of training materials, and other costs directly related to training preparation and implementation.

55. "TURFs" means Territorial User Rights Fisheries, a defined geographic area of the sea within which the right to access fish resources is held by defined users.
56. "UNCLOS" means the United Nations Convention on the Law of the Sea, United Nations Convention on the Law of the Sea, December 10, 1982; ratified by the Recipient on September 25, 2008.
57. "UNMIL" means the mission of the United Nations in Liberia.
58. "West Africa" means the coastal region and countries of West Africa, from the Republic of Mauritania to the Republic of Ghana.