

CONFORMED COPY

GEF SCCF GRANT NUMBER TF058177

# **Global Environment Facility Special Climate Change Fund Grant Agreement**

**(Conservancy Adaptation Project)**

**between**

**CO-OPERATIVE REPUBLIC OF GUYANA**

**and**

**INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT**

**acting as an Implementing Agency of the Global Environment Facility**

**Dated October 30, 2007**

**GEF SCCF GRANT NUMBER TF058177**

**GLOBAL ENVIRONMENT FACILITY SPECIAL CLIMATE CHANGE FUND  
GRANT AGREEMENT**

AGREEMENT dated October 30, 2007, entered into between the CO-OPERATIVE REPUBLIC OF GUYANA (the "Recipient") and the INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (the "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 20, 2006 ("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 the Appendix to this Agreement.

**Article II  
The Project**

2.01. The Recipient declares its commitment to the objective of the project described in Schedule 1 to this Agreement (the "Project"). To this end, the Recipient shall carry out the Project through the PEU 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 three million

eight hundred thousand United States Dollars (\$3,800,000) (the “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.

#### **Article IV Additional Remedies**

4.01. The Additional Events of Suspension referred to in Section 4.02(i) of the Standard Conditions consist of the following:

(a) *Event prior to Effectiveness.* 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.

(b) *Payment Failure.* The Recipient has failed to make payment (notwithstanding the fact that such payment may have been made by a third party) of principal, interest, service charges or any other amount due to the World Bank or the International Development Association (“IDA”): (i) under any other agreement between the Recipient and the World Bank; (ii) under any agreement between the Recipient and IDA; or (iii) in consequence of any guarantee extended or other financial obligation of any kind assumed by the World Bank or IDA to any third party with the agreement of the Recipient.

(c) The World Bank has suspended in whole or in part the right of any borrower to make withdrawals under a loan or credit agreement with the World Bank guaranteed by the Recipient because of a failure by such borrower to perform any of its obligations under such agreement.

(d) Without limitation to the provisions of Section 4.02(b) of the Standard Conditions, the Recipient has failed, in the opinion of the World Bank, to perform its obligations under Section V of Schedule 2 to this Agreement.

#### **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) If the World Bank so requests, the condition of the Recipient, as represented or warranted to the World Bank at the date of this Agreement, has undergone no material adverse change after such date.

(b) The execution and delivery of this Agreement on behalf of the Recipient has been duly authorized or ratified by all necessary governmental and corporate action.

(c) The MOU has been executed by all of the parties thereto.

(d) The Operational Manual has been approved by the World Bank and adopted by the Recipient.

5.02. As part of the evidence to be furnished pursuant to Section 5.01(a) of this Agreement, 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;

(b) on behalf of the Recipient, that the MOU has been duly authorized or ratified by the Participating Ministries and Agencies and is legally binding upon the Participating Ministries and Agencies in accordance with its terms; and

(c) on behalf of the Recipient, that the Operational Manual has been duly adopted by the Recipient in accordance with the applicable laws and regulations of the Recipient.

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 Sections 5.01 and 5.02 ("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, but in no case later than the eighteen (18) months after the World Bank's approval of the Grant which expire on April 11, 2009, 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 of Finance.

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

Ministry of Finance  
Main Street, Kingston  
Georgetown  
GUYANA

Facsimile:

+592-226-1284

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 and Georgetown, Guyana, as of the day and year first above written.

**CO-OPERATIVE REPUBLIC OF GUYANA**

**By /s/ Ashni Singh**

**Authorized Representative**

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

**By /s/ Caroline Anstey**

**Authorized Representative**

## **SCHEDULE 1**

### **Project Description**

The objective of the Project is to reduce the Recipient's vulnerability to the catastrophic flooding of its low-lying coastal area due in part to the rise in sea level as a result of global climate change through: (a) the strengthening of the Recipient's and donors' understanding of the EDWC system and the coastal plain drainage systems while identifying key drainage systems that could be improved through future interventions; (b) the implementation of certain infrastructure investments aimed at increasing the drainage capacity of the EDWC; and (c) the strengthening of the Recipient's institutional capacity to manage water levels in the EDWC and to guide interventions aimed at reducing the Recipient's vulnerability to floods.

The Project consists of the following parts:

#### **Part 1. Pre-Investment Studies for Engineering Design of Works**

Carrying out of pre-investment studies, based on terms of reference satisfactory to the World Bank, designed to provide the hydrologic baseline necessary for the engineering design of works intended to increase the current discharge capacity of the coastal drainage and irrigation system consisting of the following:

- (a) topographic and bathymetric surveys and mapping of the EDWC, the Mahaica Mahicony watershed, and the populated coastal lowlands, as required to support the hydrologic and hydraulic modeling of the flood flows, including, *inter alia*: (i) development of a precise digital elevation model, supported by aerial photography; (ii) carrying out of a dam safety analysis of the EDWC Dam structure; and (iii) carrying out of a bathymetric survey of the channel drainage system associated with the EDWC;
- (b) a comprehensive engineering analysis and design for the critical upgrading of the EDWC Dam and its associated water control structures;
- (c) the detailed modeling of the EDWC and the surrounding areas to determine the potential effectiveness of the proposed infrastructure works designed to produce modified drainage conditions that reduce the risk of flooding; and
- (d) pre-feasibility studies of proposed works designed to improve the EDWC Dam and coastal lowlands drainage and irrigation system based on the analyses in Parts 1(b) and 1(c) of the Project.

**Part 2. Investments in Specific Adaptation Measures**

1. Carrying out of engineering analyses, designs and works that increase the drainage relief capacity of the Cuhna outlet, which is located on the western side of the EDWC, including, *inter alia*: (a) a project-level environmental assessment; (b) an assessment of the relief capacity of the structure under various conditions and subject to the existing constraints; (c) an engineering design for the modified Cuhna outlet, including upstream control structure, canal and downstream control structure; and (d) improvements to the Cuhna canal and sluices.
2. Development of a model of the flow of water from the EDWC to the outlet structures that can be used to support the engineering and design of the short-term improvements to the discharge capacity of the EDWC system described in Part 2.3 of the Project, that includes, *inter alia*: (a) a hydrographic survey of the creeks and canals within the EDWC, the outlet canals and associated hydraulic structures; (b) a report based on simulations of hydraulic flow conditions during previous floods and with proposed system improvements; and (c) a drainage improvement plan identifying the creeks to be cleared and up to three waterways to be created to enhance internal water flows.
3. Carrying out of works to repair the operational and safety components of the flood control structures, including, *inter alia*, repairs to gates, appurtenances, and safety structures such as rails and stairs, but excluding any works involving the EDWC Dam.
4. Provision of equipment for purposes of carrying out the Project, including, *inter alia*: (a) water-level monitoring tools; (b) a pontoon-mounted excavator, and (c) communications equipment.

**Part 3. Institutional Strengthening and Project Management**

1. Provision of technical assistance to the Recipient for purposes of strengthening its institutional framework for flood control, improve its effectiveness in rationalizing the emergency response and general maintenance phases of flood control, and to develop plans to respond to flood events and adapt to the rising sea level, including, *inter alia*, the development of a contingency plan for flood events and for the consolidation of flood control actors.
2. Provision of technical assistance to the PEU for purposes of implementing, managing, supervising and auditing the Project, including *inter alia*, for purposes of monitoring and evaluating the Project.

## SCHEDULE 2

### Project Execution

#### Section I. Institutional and Other Arrangements

##### A. Institutional Arrangements

1. For purposes of carrying out the Project, the Recipient shall during the implementation of the Project: (a) maintain the PEU to implement, manage and coordinate the Project with terms of reference, staff and resources in accordance with the Operational Manual and acceptable to the World Bank; and (b) ensure that the PEU and its staff have the ability, in the opinion of the World Bank, to perform their obligations as contemplated under the provisions of this Agreement and the Operational Manual.
2. For purposes of carrying out the Project, the Recipient shall cause the Participating Ministries and Agencies to enter into a memorandum of understanding (the "MOU"), substantially in the form incorporated in the Operational Manual and under terms and conditions satisfactory to the World Bank, for purposes of constituting and maintaining an intra-governmental secretariat to oversee and coordinate the implementation of the Project (the "Implementation Secretariat"):
  - (a) with a core technical team within the Implementation Secretariat to provide the Implementation Secretariat with the necessary technical support to evaluate and validate the analytical studies and other activities carried out under the Project and composed of the following: (i) the Minister of Agriculture, who shall serve as the chairman of the Implementation Secretariat with the responsibilities described in the Operational Manual, including, *inter alia*, providing strategic leadership and direction on climate change issues, consensus building and national dissemination of the progress achieved under the Project; (ii) the Permanent Secretary of the Ministry of Agriculture, who shall serve as the Deputy Chairman of the Implementation Secretariat with the responsibilities described in the Operational Manual, including, *inter alia*, convening and chairing meetings of the Implementation Secretariat and leading the evaluation of analytical and physical activities; and (iii) representatives of the NDIA, the Sea and River Defense Unit, the Land and Survey Commission, and the Civil Defense Commission;
  - (b) with an advisory group within the Implementation Secretariat to provide support to the Implementation Secretariat as requested by the core technical team and composed of representatives of the Ministry of

Finance, the Ministry of Housing and Water, the Environmental Protection Agency, Hydromet and certain international donors; and

- (c) with the key responsibilities and purposes described in the Operational Manual, including, *inter alia*: (a) participating in semi-annual sector stakeholder meetings convened by the Implementation Secretariat; (b) the development of a long term drainage and irrigation strategy; and (c) using project analytical outputs for planning purposes.
3. The Recipient shall promptly furnish the World Bank with a copy of the MOU signed by all of the parties thereto.
  4. The Recipient shall ensure that the Participating Ministries and Agencies comply with their duties and obligations under the MOU in such manner as to protect the interests of the Recipient and the World Bank and to accomplish the purposes of the Grant.
  5. Except as the World Bank shall otherwise agree, the Recipient shall not, and shall not cause or allow the Participating Ministries and Agencies to, amend, waive or fail to enforce the MOU, the Operational Manual, any EMP or any provision thereof. In case of any conflict between the terms of this Agreement and those of the MOU, any EMP, or the Operational Manual, the terms of this Agreement shall prevail.
  6. For purposes of carrying out the Project, the Recipient shall allocate and make available either from its annual budget or from other sources an amount equal to \$1,200,000 Dollars to fulfill its counterpart funding obligation for works and activities related to the reconstitution of the Cuhna Canal as agreed with the World Bank and set forth in the Operational Manual.

**B. Safeguards and Specific Procedures for Works**

1. The Recipient shall carry out the Project through the PEU in accordance with the provisions of:
  - (a) this Agreement, the Standard Conditions, the Consultant Guidelines and the Procurement Guidelines;
  - (b) the Operational Manual, any EMP, the recommendations of the EA, and the Procurement Plan; and
  - (c) the MOU.

2. The Recipient shall, through the PEU, require that:
  - (a) all contractors and consultants providing goods or carrying out works and services under the Project carry out their activities under the Project with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, environmental and social standards and practices satisfactory to the World Bank, including in accordance with the provisions of the EA, any EMP, and the applicable provisions of the Operational Manual; and
  - (b) all bidding documents and contracts under the Project incorporate the environmental and social standards satisfactory to the World Bank.
3. Before commencing any works under Part 2 of the Project and as a condition to making any withdrawal for works under Category (1), the Recipient shall cause the PEU: (a) to complete all of the design and engineering plans for such works as contemplated under Parts 1 and 2 of the Project; (b) to carry out (or cause to be carried out) any EMP that may be required under the Operational Manual in accordance with the requirements and procedures in the Operational Manual and in form and substance satisfactory to the World Bank; and (c) submit the proposed works to the World Bank for its prior review.

**C. Operational Manual**

The Recipient shall carry out, or cause the carrying out of the Project, in accordance with the provisions of a manual, in form and substance satisfactory to the World Bank (the “Operational Manual”), that shall contain the policies and procedures for carrying out, monitoring and evaluating the Project, including, *inter alia*:

- (a) the detailed procedures for coordinating the implementation, monitoring and evaluation of all Parts of the Project, including, *inter alia*, the detailed criteria and procedures for designing and carrying out the works under Part 2 of the Project, including, *inter alia*, the steps of the process for designing the proposed works, preparing an EMP, and submitting the proposed work to the World Bank for its approval;
- (b) the functions, responsibilities, structure and key staff of the PEU;
- (c) the powers, functions, responsibilities, structure and key staff of the Implementation Secretariat;
- (d) the model form of MOU and the standard bidding documents and contracts to be used for procurement of goods, works and services under the Project;

- (e) the final form of the interim un-audited financial reports and Financial Statements for the Project and the terms of reference for the audits of the Project; and
- (f) the procurement, financial management and disbursement requirements, procedures, and documentation for the Project.

## **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. Each Project Report shall cover the period of one calendar semester, and shall be furnished to the World Bank not later than two month after the end of the period covered by such report.
2. 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 four 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 un-audited financial reports for the Project are prepared and furnished to the World Bank as part of the Project Report, covering the immediately preceding semester, 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 four 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 “Guidelines for Procurement under IBRD Loans and IDA Credits” published by the World Bank in May 2004 (“Procurement Guidelines”) in the case of goods and works, and Sections I and IV of the “Guidelines: Selection and Employment of Consultants by World Bank Borrowers” published by the World Bank in May 2004 (“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 prepared and updated from time to time by the Recipient for the Project in accordance with paragraph 1.16 of the Procurement Guidelines and paragraph 1.24 of the Consultant Guidelines (“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. **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; (b) Shopping; (c) Direct Contracting; (d) Force Account; and (e) Community Participation procedures described in the Procurement Plan.

**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) Quality-based Selection; (b) Selection under a Fixed Budget; (c) Least Cost Selection; (d) Selection based on Consultants’ Qualifications; (e) Single-source Selection; (f) Selection of Individual Consultants; and (g) Sole Source Procedures for the Selection of Individual Consultants.

**D. Review by the World Bank of Procurement Decisions**

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.

**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, excluding any expenditures related to repairs of the foundations or abutments of the EDWC Dam or any other physical interventions involving the EDWC Dam.
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:

<b>Category</b>	<b>Amount of the Grant Allocated (expressed in USD)</b>	<b>Percentage of Expenditures to be Financed (inclusive of Taxes)</b>
(1) Works	950,000	100%
(2) Goods	1,850,000	100%
(3) Consultants' services	950,000	100%
(4) Operating Expenses	50,000	100%
<b>TOTAL AMOUNT</b>	<b>3,800,000</b>	

3. Capitalized terms used in the table in paragraph 2 above are defined in the Appendix to this Agreement.

**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 June 30, 2011.

**Section V. Other Undertakings**

1. Notwithstanding any provisions to the contrary, the Recipient shall ensure that (a) none of the proceeds of the Grant are used, directly or indirectly, for repairs to the EDWC Dam or any other works involving the EDWC Dam; and (b) the activities carried out under the Project do not include repairs to the EDWC Dam or any other works involving the EDWC Dam.
2. Without limitation to the provisions of Schedule 2 to this Agreement or Article II of the Standard Conditions, the Recipient shall ensure that all government authorizations and permits necessary for the implementation of the Project are issued promptly by the appropriate government ministries, agencies, regulatory bodies and state-owned entities, including, *inter alia*, any authorizations that may be required to carry out the aerial photography, surveys, mapping and other analyses of the EDWC and EDWC Dam under Part 1 of the Project.

**APPENDIX**

1. “Category” has the meaning given to it in paragraph 2 of Section IV.A of Schedule 2 to this Agreement.
2. “Civil Defense Commission” means the Recipient’s Civil Defense Commission under the Office of the President.
3. “Consultant Guidelines” has the meaning given to it in paragraph 1(a) of Section III.A of Schedule 2 to this Agreement.
4. “EA” means the Environmental Assessment dated January 30, 2007, that was approved by the World Bank, as the same may be amended, supplemented or otherwise modified from time to time with the consent of the World Bank.
5. “EDWC” means the Recipient’s East Demerara Water Conservancy, a water storage system that provides regional agricultural lands and urban areas with irrigation and drinking water.
6. “EDWC Dam” means the earthen embankment surrounding the EDWC water catchment.
7. “EMP” means any environmental management plan, environmental impact assessment or other environmental study that the Recipient is required to prepare prior to carrying out any works under Part 2 of the Project in accordance with the Operational Manual and the recommendations of the EA and in form and substance satisfactory to the World Bank.
8. “Environmental Protection Agency” means the Recipient’s Environmental Protection Agency under the Office of the President.
9. “Hydromet” means the Recipient’s national hydro-meteorological office of the Ministry of Agriculture.
10. “Implementation Secretariat” has the meaning given to it in paragraph 2 of Section I.A of Schedule 2 to this Agreement.
11. “Indicators” means the impact, performance and implementation indicators set forth in the Operational Manual.
12. “Land and Survey Commission” means the Recipient’s Land and Survey Commission under the Office of the President.
13. “Minister of Agriculture” means the Recipient’s Minister of Agriculture.
14. “Ministry of Agriculture” means the Recipient’s Ministry of Agriculture.

15. “Ministry of Finance” means the Recipient’s Ministry of Finance.
16. “Ministry of Housing and Water” means the Recipient’s Ministry of Housing and Water.
17. “MOU” has the meaning given to it in paragraph 2 of Section I.A of Schedule 2 to this Agreement.
18. “NDIA” means the Recipient’s National Drainage and Irrigation Authority.
19. “Office of the President” means the Recipient’s Office of the President.
20. “Operational Manual” has the meaning given to it in Section I.C of Schedule 2 to this Agreement, as the same may be amended, supplemented or otherwise modified from time to time with the consent of the World Bank.
21. “Operating Expenses” means reasonable expenditures (other than those expenditures for goods, works, and consultants’ services) that the World Bank agrees have been reasonably incurred by the Recipient in connection with incremental recurrent costs associated with the implementation of the Project by the Recipient, including, *inter alia*: (a) salaries of consultants contracted as incremental staff of the PEU working on the Project; (b) costs for utilities and communications; (c) costs for consumable materials and supplies; (d) banking fees and pro-rata audit expenses; and (e) such other reasonable expenses incurred by the Recipient that have been approved by the World Bank prior to being incurred.
22. “Participating Ministries and Agencies” means, collectively, the Ministry of Agriculture, NDIA, the Sea and River Defense Unit, the Land and Survey Commission, and the Civil Defense Commission.
23. “PEU” means the project execution unit originally created as a specialized agency within the Ministry of Agriculture in 2004 under the direct jurisdiction of the Permanent Secretary of Agriculture for purposes of executing the Recipient’s Agricultural Support Services Programme and certain other projects and any successor to such unit that may be acceptable to the World Bank.
24. “Procurement Guidelines” has the meaning given to it in paragraph 1(a) of Section III.A of Schedule 2 to this Agreement.
25. “Procurement Plan” means the procurement plan prepared by the Recipient for the Project, dated and approved by the World Bank on March [15], 2007, 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.

26. "Sea and River Defense Unit" means the Sea and River Defense Unit of the Recipient's Ministry of Public Works.
27. "Standard Conditions" has the meaning given to it in Section 1.01 of this Agreement.