Global Environment Facility

Grant Agreement

(Ocean Partnerships for Sustainable Fisheries and Biodiversity Conservation Project)

between

CONSERVATION INTERNATIONAL FOUNDATION

and

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

Dated November 17, 2014
GLOBAL ENVIRONMENT FACILITY
GRANT AGREEMENT

AGREEMENT dated November 17, 2014, entered into
between: CONSERVATION INTERNATIONAL FOUNDATION ("CI" or "Recipient")
and the INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
("World Bank"), acting as an implementing agency of the Global Environment Facility
("GEF").

WHEREAS the World Bank, as an international financial institution, with the
overarching goal of ending extreme poverty and creating shared prosperity, aims to
sustainably enhance the economic, social, and ecological performance of the ocean’s
ecosystems and living resources, with improved benefits captured by coastal and island
developing countries and with global benefits accruing to the planet as a whole;

WHEREAS the Recipient is duly incorporated as a nonprofit public benefit
corporation with the mission of building upon a strong foundation of science, partnership
and field demonstration to empower societies to responsibly and sustainably care for
nature, our global biodiversity, for the well-being of humanity;

WHEREAS the GEF Council, at its 41st Meeting in November 2011 approved
the Global Sustainable Fisheries Management and Biodiversity Conservation in the Areas
Beyond National Jurisdiction (ABNJ) Program, with the aim of promoting efficient and
sustainable management of fisheries resources and biodiversity conservation in ABNJ;

WHEREAS the World Bank, acting as an Implementing Agency of the GEF, has
developed the Ocean Partnerships for Sustainable Fisheries and Biodiversity
Conservation Project under the overall ABNJ Program with the objective of catalyzing
investment into selected transformational public-private partnerships that mainstream
sustainable management of highly migratory stocks spanning areas within and beyond
national jurisdictions;

WHEREAS the Ocean Partnerships for Sustainable Fisheries and Biodiversity
Conservation Project ("OPP") comprises three specific components being: (i)
development of business plans for long-term transformational pilots; (ii) innovation
support facility; and (iii) inter-regional coordination, implementation support and
monitoring and evaluation;

WHEREAS the World Bank seeks to partner with a number of institutions in the
implementation of the OPP, among them, the Recipient, which will be responsible for
implementing the second component relating to the innovation support facility;

NOW THEREFORE the Recipient and the World Bank hereby agree as follows:
Article I
Standard Conditions; Definitions


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 this Agreement.

Article II
The Project

2.01. The Recipient declares its commitment to the objectives of the project described in Schedule I to this Agreement. The Recipient shall be responsible for implementing the activities under the project described in Part 2 of Schedule I (hereinafter, the "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 Two Million, One Hundred and Sixty Two Thousand, Six Hundred and Thirty Seven United States Dollars ($2,162,637) ("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 GEF Trust Fund for which the World Bank receives periodic contributions from the donors to the trust fund. In accordance with Section 3.02 of the Standard Conditions, the World Bank’s payment obligations in connection with this Agreement are limited to the amount of funds made available to it by the donors under the abovementioned trust fund, and the Recipient’s right to withdraw the Grant proceeds is subject to the availability of such funds.
Article IV
Additional Remedies

4.01. The Additional Event of Suspension referred to in Section 4.02(k) of the Standard Conditions consists of the following:

The World Bank has determined after the Effective Date referred to in Section 5.02 of this Agreement that prior to such date but after the date of this Agreement, an event has occurred which would have entitled the World Bank to suspend the Recipient's right to make withdrawals from the Grant Account if this Agreement had been effective on the date such event occurred.

Article V
Effectiveness; Termination

5.01 This Agreement shall not become effective until evidence satisfactory to the World Bank has been furnished to the World Bank that the execution and delivery of this Agreement on behalf of the Recipient have been duly authorized or ratified by all necessary corporate action.

5.02 As part of the evidence to be furnished pursuant to Section 5.01, there shall be furnished to the World Bank an opinion satisfactory to the World Bank of counsel acceptable to the World Bank, showing, 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.

5.03 Except as the Recipient and the World Bank shall otherwise agree, this Agreement shall enter into effect on the date upon which the World Bank dispatches to the Recipient notice of its acceptance of the evidence required pursuant to Section 5.01 ("Effective Date"). If, before the Effective Date, any event has occurred which would have entitled the World Bank to suspend the right of the Recipient to make withdrawals from the Grant Account if this Agreement had been effective, the World Bank may postpone the dispatch of the notice referred to in this Section until such event (or events) has (or have) ceased to exist.

5.04 This Agreement and all obligations of the parties under it shall terminate if it has not entered into effect by the date ninety (90) days after the date of this Agreement, unless the World Bank, after consideration of the reasons for the delay, establishes a later date for the purpose of this Section. The World Bank shall promptly notify the Recipient of such later date.
Article VI

Recipient’s Representative Address

6.01. The Recipient’s Representative referred to in Section 7.02 of the Standard Conditions is its chief operating officer.

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

Conservation International Foundation
2011 Crystal Dr #500,
Arlington, VA 22202

Email: mculbertson@conservation.org

Telephone: 1-703-341-2636
Facsimile: 1-703-892-1951

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: INTBAFRAD
Telex: 248423 (MCI) or 64145 (MCI)

Washington, D.C. 202-477-6391
AGREED at __________________________ as of the day and year first above written.

CONSERVATION INTERNATIONAL FOUNDATION

By

[Signature]

Authorized Representative

Niels Gregersen
Chief Operating Officer

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

By

[Signature]

Authorized Representative

Bilal H. Rajhil
Acting Senior Director
Environment and Natural Resources
SCHEDULE 1

Description

The Project Development Objective ("PDO") of the Ocean Partnership for Sustainable Fisheries and Biodiversity Project ("OPP") is to catalyze investment into selected transformational public-private partnerships that mainstream the sustainable management of highly migratory fish stocks spanning areas within and beyond national jurisdictions.

The OPP consists of the following Parts:

Part 1: Definition and development of business plans for long-term transformational pilots for sustainable fisheries in priority ocean areas.

A. Analysis and development of business plans for pilot projects addressing more effective management of fisheries on shared highly migratory stocks occurring within developing coastal and island states' Exclusive Economic Zones (EEZ) and adjacent Areas Beyond National Jurisdiction (ABNJ) in the Bay of Bengal region.

B. Analysis and development of business plans for pilot projects addressing more effective management of fisheries on shared highly migratory stocks occurring within developing coastal and island states' EEZ and adjacent ABNJ in the Western and Central Pacific region.

C. Analysis and development of business plans for pilot projects addressing more effective management of fisheries on shared highly migratory stocks occurring within developing coastal and island states' EEZ and adjacent ABNJ in the Western and Central Atlantic and Caribbean region.

D. Analysis and development of business plans for pilot projects addressing more effective management of fisheries on shared highly migratory stocks occurring within developing coastal and island states' EEZ and adjacent ABNJ in the Eastern Pacific Ocean; and inter-regional coordination.

Part 2: Innovation Support Facility.

Support to a range of innovative activities such as analyses, evaluations, field testing and events that will contribute in parallel to the effective delivery of Component 1.
Part 3: Inter-Regional Coordination, Implementation Support and Monitoring and Evaluation.

1. Support regional outreach and collaboration between the four regional project activities and the innovation support facility.

2. Support inter-regional work through the mechanism of a Global Think Tank comprising the implementing entities for Components 1 and 2 together with a multidisciplinary group of thematic specialists.
SCHEDULE 2

Project Execution

Section I. Institutional and Other Arrangements

A. Implementation Arrangements

1. The Recipient shall establish a Project Coordinating Committee not later than 60 (sixty) days after the grant is declared effective comprising senior representatives of the Recipient, the World Bank and others as appropriate, to provide oversight to the Project implementation process. The role of the Coordinating Committee shall be defined in the Project Operational Manual. The Coordinating Committee shall meet at least once a year.

2. The Recipient shall operate and maintain throughout the period of implementation of the Project, a Project Implementation Unit with the functions, responsibilities and structure set forth in the Project Operational Manual and with sufficient resources and staffed with competent key personnel with qualifications, experience and terms of reference satisfactory to the World Bank. The Project implementation unit shall be responsible for, inter alia, day-to-day financial management and procurement activities of the Project.

B. Project Operational Manual

1. The Recipient shall carry out the Project in accordance with the provisions of the Project Operational Manual, which shall set forth the rules and procedures for carrying out the Project, including, inter alia, the procedure for carrying out, monitoring and evaluation of the Project including procurement, disbursement, financial, social and environmental requirements thereof.

2. In case of any conflict between the terms of the Project Operational Manual and those of this Agreement, the terms of this Agreement shall prevail. The Recipient may not amend the Project Operational Manual without the World Bank's prior consent.

C. Anti-Corruption

The Recipient shall ensure that the Project is carried out in accordance with the provisions of the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006, and revised in January 2011 (“Anti-Corruption Guidelines”).
D. Safeguards

1. The Recipient shall ensure that:
   
   (a) the Project is carried out in accordance with the Environmental and Social Management Framework;
   
   (b) if and where applicable, Environmental and Social Management Plans, in form and substance satisfactory to the World Bank, are prepared during Project implementation, in accordance with the Environmental and Social Management Framework, and that the Project is carried out in accordance with the said plans and their respective terms.

2. The Recipient shall not assign, amend, abrogate or waive, or permit to be assigned, amended, abrogated, or waived, the Environmental and Social Management Framework or any Environmental and Social Management Plans, or any provision thereof without the prior written agreement of the World Bank.

3. The Recipient shall ensure, that the terms of reference for any Environmental and Social Safeguards-related consultancies related to technical assistance or capacity building activities under the Project, shall be satisfactory to the World Bank following its review thereof and, to that end, such terms of reference shall duly incorporate the requirements of the World Bank’s Environmental and Social Safeguard Policies then in force, as applied to the advice conveyed through such technical assistance and capacity building activities.

4. The Recipient shall take all measures necessary to regularly collect, compile, and submit to the World Bank, as part of the Project Reports, information on the status of compliance with the Environmental and Social Management Framework, including any instances of non-compliance.

5. In the event of a conflict between the provisions of any of the Environmental and Social Management Framework or any Environmental and Social Management Plans and those of this Agreement, the provisions of this Agreement shall prevail.

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 indicators acceptable to the World Bank. Each Project Report shall cover the period of one calendar semester, and shall be furnished to the World Bank not later than 45 days 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 no later than two 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 semester, covering six months, 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 and pursuant to the Project Operational Manual. 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. Upon completion of the Project, the Recipient shall submit a Project Audit Report.

**Section III. Procurement**

A. **General**

1. **Procurement and Consultant Guidelines.** All goods, non-consulting-services and 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:

   (a) Section I of the “Guidelines: Procurement of Goods, Works and Non-consulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011 (“Procurement Guidelines”) and Sections I and IV of the “Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011 (“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 1.18 of the Procurement Guidelines and paragraph 1.25 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 Sections II and III of the Procurement Guidelines, or Sections II, III, IV and V of the Consultant Guidelines, as the case may be.

**B. Particular Methods of Procurement of Goods and Non-consulting Services**

1. **International Competitive Bidding.** Except as otherwise provided in paragraph 2 below, goods and non-consulting services shall be procured under contracts awarded on the basis of International Competitive Bidding.

2. **Other Methods of Procurement of Goods and Non-consulting Services.** The following methods, other than International Competitive Bidding, may be used for procurement of goods and non-consulting services for those contracts specified in the Procurement Plan: (a) Shopping; (b) Direct Contracting.

**C. Particular Methods of Procurement of Consultants’ Services**

1. **Quality- and Cost-based Selection.** Except as otherwise provided in paragraph 2 below, consultants’ services shall be procured under contracts awarded on the basis of Quality- and Cost-based Selection.

2. **Other Methods of Procurement of Consultants’ Services.** The following methods, other than Quality- and Cost-based Selection, may be used for procurement of consultants’ services 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 of consulting firms; (f) Selection of Individual Consultants; and (g) Single-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. No later than April 30 of each year, the Recipient shall prepare an annual budget (the “Annual Spending Plan”) for review and approval by the World Bank
describing inter alia, the funding levels of the proposed spending categories for the next Fiscal Year.

2. 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 as set forth in the table under paragraph 3 below.

3. 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:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Grant Allocated (expressed in USD and inclusive of Taxes)</th>
<th>Percentage of Expenditures to be Financed</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Consultants’ services, non-consulting services, goods and Incremental Operating Costs under Part 2 of Schedule 1</td>
<td>2,162,637</td>
<td>100%</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>2,162,637</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

“Incremental Operating Costs” means reasonable expenditures directly related to the administration of the Project, incurred by the Recipient (which expenditures would not have been incurred absent the activities) including salaries of CI employees’ working on the project as approved by the World Bank, management services and support costs, consumable materials and supplies, communications, mass media and printing services, vehicle rental, operation and maintenance, postage and handling, travel, lodging and per diems, and charges for the opening and operation of bank accounts required for the Project.

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section no withdrawal shall be made:

   (a) for payments made prior to the date of this Agreement; and
(b) for payments inconsistent with what is approved in the Annual Spending Plan, as approved by the World Bank.

2. The Closing Date referred to in Section 3.06(c) of the Standard Conditions is December 31, 2018.
APPENDIX

Definitions

1. “Annual Spending Plan” means each adopted annual spending plan referred to in Section 4.A.1 of Schedule 2 to this Agreement.


4. “Environmental and Social Management Framework” or “ESMF” means the integrated environmental and social framework dated April 21, 2014, and disclosed through the Infoshop on April 21, 2014, setting forth mitigation, monitoring, and institutional measures to address environmental and social impacts of Project activities, as said ESMF may be modified from time to time with the prior written agreement of the World Bank, and such term includes any schedules or annexes to such framework, including the guidelines for preparing and implementing Environmental and Social Management Plans, if and when applicable, as well as other safeguards instruments that may be necessary.

5. “Environmental and Social Management Plan” or “ESMP” means the plan or plans to be prepared, in form and substance satisfactory to the World Bank and in accordance with the Environmental and Social Management Framework, and such term includes any schedules or annexes to any such plans.


7. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated April 7, 2014, 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.

8. “Project Coordinating Committee” means the committee referred to in Section I.A.1 of Schedule 2 to this Agreement.

9. “Project Implementation Unit” means the unit within the Recipient dedicated to implementing the Project and referred to in Section I.A.2 of Schedule 2 to this Agreement.