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**GEF GRANT NUMBER TF0B6356 (Portion A)**  
**GEF GRANT NUMBER TF0B6463 (Portion B)**

# **Global Environment Facility Grant Agreement**

**(Wildlife Conservation Bond Operation)**

**between**

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

**and**

**SOUTH AFRICAN NATIONAL PARKS**

**and**

**EASTERN CAPE PARKS AND TOURISM AGENCY**

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**GEF GRANT NUMBER TF0B6356 (Portion A)**  
**GEF GRANT NUMBER TF0B6463 (Portion B)**

**GLOBAL ENVIRONMENT FACILITY (GEF)**  
**GRANT AGREEMENT**

AGREEMENT dated as of the Signature Date between INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT, acting as implementing agency of the Global Environment Facility (“Bank”) from one side; and SOUTH AFRICA NATIONAL PARKS (“SANParks”) and EASTERN CAPE PARKS AND TOURISM AGENCY (“ECPTA”) (jointly referred to as the “Recipients”), from the other side.

WHEREAS: (A) the Recipients, having satisfied themselves as to the feasibility and priority of the operation described in Schedule 1 of this Agreement, have requested the Bank to assist in the financing of the conservation success payments described in Schedule 1 of this Agreement;

(B) the International Bank for Reconstruction and Development, acting through its Treasury Vice Presidency (“Issuer”), intends to issue Wildlife Conservation Bonds (as defined in the Appendix to this Agreement) to make available the Foregone Coupon Payments (as defined in the Appendix to this Agreement) to the Recipients to assist in financing the project described in Schedule 1 of this Agreement upon the compliance of the conditions set out in this Agreement; and

(C) the Bank intends to make available GEF grant proceeds to the Recipients to assist in financing the conservation success payments described in Schedule 1 of this Agreement upon the achievement of defined targets set out in this Agreement.

NOW THEREFORE, the Recipients and the Bank hereby agree as follows:

**Article I**  
**Standard Conditions; Definitions**

- 1.01. The Standard Conditions (as defined in the Appendix to this Agreement) apply to and form 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 this Agreement.

**Article II**  
**The Operation**

- 2.01. The Recipients declare their commitment to the objectives of the project described in Schedule 1 of this Agreement as Part I (“Project”) and of the conservation success payments described in Schedule 1 of this Agreement as Part II (“Conservation

Success Payments”) (both parts hereinafter referred to as “Operation”). To this end, the Recipients shall carry out:

- (a) the Project as follows: (i) SANParks shall carry out Part 1(a) of the Project; (ii) ECPTA shall carry out Part 1(b) of the Project; and (iii) SANParks and ECPTA shall carry out Parts 2 and 3 of the Project; and
- (b) the Conservation Success Payments;

all in accordance with the provisions of Article II of the Standard Conditions and Schedule 2 to this Agreement.

### **Article III The Grant**

- 3.01. The Bank agrees to extend to the Recipients a grant in an amount not to exceed thirteen million seven hundred and sixty thousand United States Dollars (\$13,760,000) (“Grant”) to assist in financing the Conservation Success Payments as follows: (a) a first portion for an amount equivalent to six million eight hundred eighty thousand (USD 6,880,000) (“Portion A of the Grant”) to SANParks; and (b) a second portion for an amount equivalent to six million eight hundred eighty thousand (USD 6,880,000) (“Portion B of the Grant”) to ECPTA.
- 3.02. The Recipients may withdraw the proceeds of the Grant in accordance with Section III of Schedule 2 to this Agreement.

### **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:
  - (a) the Recipients’ Legal Documentation pursuant to which the Recipients have been established and are operating has been amended, suspended, abrogated, repealed, or waived so as to affect materially and adversely the ability of the Recipients to perform any of their obligations under this Agreement; and
  - (b) the event referred to in paragraph 2(vi) of the Transfer Agreement.

### **Article V Effectiveness; Termination**

- 5.01. This Agreement shall not become effective until evidence satisfactory to the Bank has been furnished to the Bank that the conditions specified below have been satisfied:

- (a) the execution and delivery of this Agreement on behalf of the Recipients have been duly authorized or ratified by all necessary governmental and corporate action;
  - (b) the Transfer Agreement has been executed and delivered in accordance with the terms and conditions set out in Schedule 3 to this Agreement and all conditions precedent to its effectiveness or to the right of the Recipients to make withdrawals under it (other than the effectiveness of this Agreement) have been fulfilled; and
  - (c) the Recipients have satisfactorily completed all Know-Your-Customer Requirements, as confirmed to the Bank and the Issuer by the Payment Bank.
- 5.02. As part of the evidence to be furnished pursuant to Section 5.01(a), there shall be furnished to the Bank an opinion or opinions satisfactory to the Bank of counsel(s) acceptable to the Bank or, if the Bank so requests, a certificate satisfactory to the Bank of a competent official of the Recipients, showing, on behalf of the Recipients, that this Agreement has been duly authorized or ratified by, and executed and delivered on their behalf and is legally binding upon it in accordance with its terms.
- 5.03. Except as the Recipient and the Bank shall otherwise agree, this Agreement shall enter into effect on the date upon which the Bank dispatches to the Recipients notice of its acceptance of the evidence required pursuant to Section 5.01 (“Effective Date”).
- 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 Bank, after consideration of the reasons for the delay, establishes a later date for the purpose of this Section. The Bank shall promptly notify the Recipients of such later date.

**Article VI**  
**Recipient’s Representative; Addresses**

- 6.01. The Recipients’ Representatives referred to in Section 7.02 of the Standard Conditions are:
- (a) For SANParks: SANPark’s Chief Executive Officer; and
  - (b) For ECPTA: ECPTA’s Chief Executive Officer.
- 6.02. For purposes of Section 7.01 of the Standard Conditions: (a) the Recipients’ addresses are:
- (a) For SANParks:  
  
South African National Parks

643 Leyds Street,  
Muckleneuk,  
Pretoria  
South Africa; and

(b) For ECPTA:

Eastern Cape Parks and Tourism Agency  
17-25 Oxford Street,  
East London CBD,  
Eastern Cape,  
South Africa

6.03. For purposes of Section 7.01 of the Standard Conditions: (a) the Bank's address is:

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

(b) the Bank's Electronic Address is:

Telex:	Facsimile:	E-mail:
248423 (MCI) or 64145 (MCI)	1-202-477-6391	mmarienelly@worldbank.org

AGREED as of the Signature Date.

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

By

*Marie Francoise Marie-Nelly*

\_\_\_\_\_  
**Authorized Representative**

**Name:** Marie Francoise Marie-Nelly

**Title:** Country Director

**Date:** 11-Mar-2022

**SOUTH AFRICAN NATIONAL PARKS**

By

*Dumisani Dlamini*

\_\_\_\_\_  
**Authorized Representative**

**Name:** Dumisani Dlamini

**Title:** Acting Chief Executive Officer

**Date:** 24-Mar-2022

**EASTERN CAPE PARKS AND TOURISM AGENCY**

By

*VD*

\_\_\_\_\_  
**Authorized Representative**

**Name:** vuyani Dayimani

**Title:** Chief Executive Officer

**Date:** 17-Mar-2022

## SCHEDULE 1

### Operation Description

The Operation consists of the following parts:

#### **Part I: The Project**

The objective of the Project is to increase black rhino populations in Targeted Protected Areas in South Africa. The Project consists of the following parts:

#### **Part 1: Improved Rhino Conservation Management**

- (a) Improving rhino conservation and natural resource management in Addo Elephant National Park (AENP) through, *inter alia*: (i) expanding the rhino hold into a fourth section including translocation of rhinos to the new section from existing rhino sections; (ii) increasing distribution of water in two sections through the construction of additional boreholes and the creation of waterpoints, and securing the supply of water in a third section (with the requisite elephant exclusion fencing); (iii) fencing a new section, upgrading rhino bomas and rhino capture and facilitating translocation of rhinos into such new section; (iv) supporting infrastructure security interventions, including: (A) building an operations control room to collate information and inform intelligence-led law enforcement; (B) enhancing access control and upgrading fences, including building gate houses, perimeter fences, accommodations and providing vehicles; (C) improving communications and monitoring aerial support, including hiring monitoring staff, providing vehicles, sensor and aerial monitoring equipment, and carrying out associated training, and (D) improving capability to react to poaching incidents, information collection and technology use, including providing training on human rights and environmental management inspections, carrying out counter-poaching awareness campaigns, hiring staff and providing vehicles; and (v) carrying out community engagement interventions to support the carrying out of Project activities, including carrying out need assessments and hiring developing community staffing.
- (b) Securing rhino populations in Great Fish River Nature Reserve (GFRNR) through, *inter alia*: (i) carrying out relocation activities to remove rhinos from one area to another to maintain a density which supports higher growth rates; (ii) improving water management, including securing water points in parts of the reserve and removing some existing dams in high-risk poaching areas, and supporting the maintenance of roads, fences, infrastructure and vehicles; (iii) improving capability to react to poaching incidents, information collection and technology use, including, providing training on human rights and environmental management inspections, carrying out counter-poaching awareness campaigns and providing vehicles; (iv) restructuring security staff organization through the appointment of a security manager, including recruiting and training security staff; (v) supporting infrastructure security interventions, including: (A) building an operations control room and a communications network; and (B) enhancing access control and

upgrading fences; (vi) improving communications and monitoring aerial support, including hiring monitoring staff, providing vehicles, sensor and aerial monitoring equipment and carrying out associated training; and (vii) carrying out community engagement interventions to support the carrying out of Project activities including carrying out need assessments and hiring developing community staffing.

**Part 2: National/Regional Enabling Conditions to Coordinate Share Security and Research Opportunities**

Supporting the creation of national and regional enabling conditions to help catalyze security and research efforts at AENP and GFRNR through, *inter alia*: (a) strengthening linkages at the national level with other relevant conservation projects; (b) integrating workplans and budgets of both AENP and GFRNR; (c) hiring of a law enforcement advisor to oversee the institutionalization of changes to law enforcement operations at both AENP and GFRNR, including providing technical expertise on suitable technologies to improve detection of poaching incursions; (d) sharing and systematization of lessons learned and building collaboration between AENP and GFRNR and with other donor-funded efforts; and (e) carrying out research and knowledge management activities relating to achieving rhino growth rates under an adaptive management framework.

**Part 3: Project Management and Monitoring**

Supporting Project management activities including, through:

- (a) carrying out Project monitoring and evaluation, reporting and fiduciary management aspects, including carrying out procurement, financial management, environmental and social safeguards, social inclusion, and gender Project activities, hiring Project staff and supporting Project activities inspections and travels; and
- (b) implementing rhino outcomes management systems to submit approved data and evidence gathered by the Recipients for independent verification, to guide the Conservation Success Payments and to inform management decision making.

**Part II: Conservation Success Payments**

The objective of the Conservation Success Payments is to create an outcome-driven structured bond that channels private sector funds to the Project. This part consists of the provision of the Conservation Success Payments.

## SCHEDULE 2

### Operation Execution

#### Section I. Institutional and Other Arrangements

##### A. Transfer Agreement

The Recipients shall enter into, and thereafter maintain throughout the implementation of the Project, an agreement with the Issuer for purposes of financing the Project, in accordance with the terms and conditions set out in schedule 3 to this Agreement (“Transfer Agreement”), by which, *inter alia*, the Recipients shall: (a) agree to use the Foregone Coupon Payments to finance the Project in accordance with the terms and conditions of this Agreement; and (b) irrevocably and unconditionally assigns all its rights to the Conservation Success Payments to the Issuer in connection with the Wildlife Conservation Bonds upon the achievement of defined targets set out in this Agreement.

##### B. Project Implementation Agreements

###### 1. Project Implementation Units

Each of the Recipients shall: (a) maintain throughout Project implementation, a Project Implementation Unit responsible for the day-to-day implementation and monitoring of the Project; and (b) maintain within the Project Implementation Unit, at all times during the implementation of the Project, key staff including a Project manager, an environment and social safeguards specialist, a monitoring and evaluation specialist, a financial management and procurement specialist and administrative support staff, all with experience, qualifications, and terms of reference, satisfactory to the Bank.

###### 2. Project Implementation Manual

The Recipients shall carry out the Project in accordance with the Project Implementation Manual, in a manner satisfactory to the Bank, which shall contain, *inter alia*: detailed guidelines and procedures with respect to Project administration and coordination; monitoring and evaluation; financial management procedures, including detailed arrangements and procedures on Project-specific accounts, budget, internal control, accounting, funds flow, internal audit, external audit, procurement and accounting procedures with respect to the Foregone Coupon Payments; contract management procedures; environmental and social safeguards; corruption and fraud mitigation measures; protocols for verifying the triggering of the Conservation Success Payments; grievance redress mechanisms; roles and responsibilities of different entities, agencies for Project implementation; and such other arrangement and procedures as shall be require for the effective implementation of the Operation. The Recipients shall ensure that the Project Implementation Manual is not amended, suspended or repealed without the prior written approval of the Bank. In the event of any conflict between the provisions

of the Project Implementation Manual and this Agreement, the provisions of this Agreement shall prevail.

### **3. Annual Work Plan and Budget**

For purposes of implementation of the Project, each of the Recipients shall:

- (a) prepare a draft Annual Work Plan and Budget (“AWPB”) for each year of Project implementation, setting forth, *inter alia*: (i) a detailed description of the planned activities under the Project for the following year; (ii) the sources and proposed use of Foregone Coupon Payments therefore; (iii) procurement, and environmental and social safeguards arrangements therefore, as applicable; and (iv) responsibility for the execution of said Project activities, budgets, start and completion dates, outputs and monitoring indicators to track progress of each activity;
- (b) not later than November 30<sup>th</sup> of each year, furnish the draft AWPB for the following year to the Bank for its review, except for the AWPB for the Project for the first year of Project implementation, which shall be furnished not later than one (1) month after the Effective Date, and promptly thereafter finalize the draft AWPB, taking into account the Bank’s comments thereon; and
- (c) thereafter adopt and carry out such draft AWPB for the relevant year as shall have been agreed with the Bank, as such plan may be subsequently revised during such year with the prior written agreement of the Bank.

### **4. Project Accounts**

Prior to the transferring of any proceeds of the Foregone Coupon Payments for purposes of assisting in the financing of the Project, each of the Recipients shall open, and thereafter maintain throughout the implementation of the Project, a designated account in accordance with the provisions of Section 3.05 of the Standard Conditions. The Foregone Coupon Payments deposited in such accounts shall be used in accordance with the provisions of this Agreement, including the provisions set out in the Transfer Agreement and the Project Implementation Manual.

### **5. Environmental and Social Standards**

1. The Recipient shall ensure that the Project is carried out in accordance with the Environmental and Social Standards, in a manner acceptable to the Bank.
2. Without limitation upon paragraph 1 above, the Recipient shall ensure that the Project is implemented in accordance with the Environmental and Social Commitment Plan (“ESCP”), in a manner acceptable to the Bank. To this end, the Recipient shall ensure that:

- (a) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, and provided in the ESCP;
  - (b) sufficient funds are available to cover the costs of implementing the ESCP;
  - (c) policies and procedures are maintained, and qualified and experienced staff in adequate numbers are retained to implement the ESCP, as provided in the ESCP; and
  - (d) the ESCP, or any provision thereof, is not amended, repealed, suspended, or waived, except as the Bank shall otherwise agree in writing, as specified in the ESCP, and ensure that the revised ESCP is disclosed promptly thereafter.
3. In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.
4. The Recipient shall ensure that:
- (a) all measures necessary are taken to collect, compile, and furnish to the Bank through regular reports, with the frequency specified in the ESCP, and promptly in a separate report or reports, if so requested by the Bank, information on the status of compliance with the ESCP and the environmental and social instruments referred to therein, all such reports in form and substance acceptable to the Bank, setting out, *inter alia*: (i) the status of implementation of the ESCP; (ii) conditions, if any, which interfere or threaten to interfere with the implementation of the ESCP; and (iii) corrective and preventive measures taken or required to be taken to address such conditions; and
  - (b) the Bank is promptly notified of any incident or accident related to or having an impact on the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, including gender-based violence cases, in accordance with the ESCP, the environmental and social instruments referenced therein and the Environmental and Social Standards.
5. The Recipient shall establish, publicize, maintain, and operate an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances of Project-affected people, and take all measures necessary and appropriate to resolve, or facilitate the resolution of, such concerns and grievances, in a manner acceptable to the Bank.
6. The Recipient shall ensure that all bidding documents and contracts for civil works under the Project include the obligation of contractors, and subcontractors and supervising entities to: (a) comply with the relevant aspects of ESCP and the environmental and social instruments referred to therein; and (b) adopt and enforce codes of conduct that should be provided to and signed by all workers, detailing

measures to address environmental, social, health and safety risks, and the risks of sexual exploitation and abuse, sexual harassment and violence against children, all as applicable to such civil works commissioned or carried out pursuant to said contracts.

**C. Calculation and Verification for Conservation Success Payments**

For purposes of supporting (an) independent third-party agent(s) appointed by the Issuer in the carrying out of calculations and verification of the CAGR in the Targeted Protected Areas, the Recipients shall: (a) update the rhino population data in the rhino outcomes management system on a monthly or more frequent basis as requested by the Bank; (b) assist such independent third-party agent(s) with any necessary information for purposes of issuing the Verification Reports; and (c) maintain a backup system in Microsoft Excel (or other tools which securely stores data and back-up proof of data to include photos from camera traps, flight records, or other relevant details) and submit such data to the independent third-party agent(s) for CAGR calculation and verification when requested by the Issuer, for purposes of making the Conservation Success Payments; and (d) (i) provide the relevant black rhino growth rate statistics estimated by the Recipients when requested by the Issuer; and (ii) facilitate verifications of such statistics by the independent third-party agent(s).

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

**A. Project Reports**

The Recipient shall ensure that each Project Report is furnished to the Bank not later than forty-five (45) days after the end of each calendar semester (i.e., every six (6) months), covering the calendar semester.

**B. Financial Management**

1. The Recipients shall ensure that a financial management system is maintained in accordance with the provisions of Section 2.07 of the Standard Conditions.
2. The Recipients shall ensure that interim unaudited financial reports for their respective parts of the Project are prepared and furnished to the Bank as part of the Project Report not later than forty-five (45) days after the end of each calendar semester, covering the semester, in form and substance satisfactory to the Bank.
3. The Recipients shall have its Financial Statements for their respective parts of the Project audited in accordance with the provisions of Section 2.07 (b) of the Standard Conditions. Each such audit of the Financial Statements shall cover the period of one (1) fiscal year. The audited Financial Statements for each such period shall be furnished to the Bank not later than six (6) months after the end of such period.

**Section III. Use of Grant Proceeds**

**A. General**

1. For purposes of financing the Conservation Success Payments, the Recipients may withdraw the proceeds of the Grant in accordance with the provisions of: (a) the Standard Conditions; (b) this Section III; and (c) and such additional instructions as the Bank may specify by notice to the Recipient (including the "World Bank Disbursement Guidelines for Projects" dated February 2017, as revised from time to time by the Bank, and as applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the following table.
2. The 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 Recipient under each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

<b>Category</b>	<b>Amount of Portion A of the Grant Allocated (expressed in USD)</b>	<b>Amount of Portion B of the Grant Allocated (expressed in USD)</b>	<b>Percentage of Expenditures to be Financed (inclusive of Taxes)</b>
(1) Conservation Success Payments	6,880,000	6,880,000	Up to 100% as per formula set out in the Wildlife Conservation Bonds
<b>TOTAL</b>	<b>6,880,000</b>	<b>6,880,000</b>	

**B. Withdrawal Conditions; Withdrawal Period; Disbursement Period**

1. Notwithstanding the provisions of Part A above, no withdrawal shall be made for payments:
  - (a) prior to the Signature Date; and
  - (b) under Category (1) until and unless the Verification Reports have been submitted to the Bank and the Issuer in a manner satisfactory to the Bank and the Issuer, showing that the CAGR of the rhino population in the Targeted Protected Areas has increased on an annualized basis over the Project implementation period as determined on the Closing Date and as described in the Wildlife Conservation Bonds; after which payments are

to be made in accordance with the following formula set out in the Wildlife Conservation Bonds.

2. The Operation Closing Date is October 29, 2027.
3. The Operation's Disbursement Deadline Date is four (4) months after the Closing Date.

**C. Irrevocable Assignment**

On the Signature Date, the Recipients hereby:

- (a) submit the applications to withdraw proceeds of the Grant using Direct Payments, as per the provisions of Section III.A.1 of this Schedule 2, whereby the Recipients have irrevocably and unconditionally assigns all their rights to the Conservation Success Payments to the Issuer in connection with the Wildlife Conservation Bonds as per the formula set out in the Wildlife Conservation Bonds, only if: (i) the withdrawal condition set forth in Section III.B.1(a) of this Schedule 2 has been met by the Closing Date; and (ii) payments have been made before or by the Disbursement Deadline Date; and
- (b) cancel, pursuant to Section 4.01 of the Standard Conditions, the unwithdrawn amount of the Grant if it has not been paid as per paragraph (a) above. The canceled amount of the Grant shall remain with GEF.

### Schedule 3

#### Transfer Agreement

**Agreement between the International Bank for Reconstruction and Development (“IBRD”) acting through its Treasury Vice Presidency as issuer of Wildlife Conservation Bonds (“Issuer”) and the South Africa National Parks (“SANParks”) and Eastern Cape Parks And Tourism Agency (“ECPTA”) (jointly referred to as the “Recipients”)**

1. We refer to the grant agreement dated as of the Signature Date between IBRD acting as implementing agency of the Global Environment Facility (“Bank”) and the Recipients (“Grant Agreement”). Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the Grant Agreement.
2. Pursuant to Section I.A of Schedule 2 of the Grant Agreement, the Issuer and the Recipients hereby acknowledge and agree a number of implementation aspects related to the Wildlife Conservation Bonds as follows:
  - (i) the Recipients have been duly authorized to enter into the Grant Agreement and carry out the Project in accordance with the terms and conditions set forth and referred to in the Grant Agreement;
  - (ii) the Issuer will use its best efforts to issue the Wildlife Conservation Bonds for purposes of assisting the Recipients in achieving the objectives under Project, at all times subject to prevailing market conditions;
  - (iii) upon issuance of the Wildlife Conservation Bonds, the Issuer will inform the Recipients of the final amounts and dates of Foregone Coupon Payments under the Wildlife Conservation Bonds in the form attached as Annex 1;
  - (iv) subject to paragraph (vi) below, all Foregone Coupon Payments shall be payable by the Issuer to the Recipients’ accounts as set out in Section I.B.4 of Schedule 2 to the Grant Agreement;
  - (v) the Recipients shall use Foregone Coupon Payments to finance the Project activities in accordance with the terms and conditions of the Grant Agreement;
  - (vi) Foregone Coupon Payments in respect of each or both Targeted Protected Areas may be suspended upon the occurrence of any of the events of suspension set out in the Grant Agreement as applicable, including the reduction in the combined target rhino populations by seventy percent (70%) or higher due to the Recipients’ mismanagement (which will be considered, for the purposes of the Project, as a demographic collapse), making the objective of the Project no longer achievable; and

- (vii) Pursuant to Section III.C of Schedule 2 of the Grant Agreement the Recipients have authorized withdrawal of the Conservation Success Payments on [*date of signing of the Grant Agreement*], and the Recipients irrevocably and unconditionally assigns all their rights to the Conservation Success Payments to the Issuer in connection with the Wildlife Conservation Bonds, subject at all times to the relevant conditions being met pursuant to Section III.B.1(b) and Section III.C of Schedule 2 to the Grant Agreement.
- 3. The Issuer's payment obligations in connection with this Transfer Agreement shall at all times be limited to the amount of Foregone Coupon Payments available under the Wildlife Conservation Bonds, and the Recipient's right to receive the Foregone Coupon Payments is subject to the availability of such funds.
- 4. Nothing in this Transfer Agreement shall be considered a waiver of any privileges or immunities of IBRD under its Articles of Agreement or any applicable law, all of which are expressly reserved.
- 5. By signing this Transfer Agreement, the Recipients shall be deemed to represent and warrant that on the date of this Transfer Agreement, the Transfer Agreement has been duly authorized by, and executed and delivered on behalf of, the Recipients and is legally binding upon the Recipients in accordance with its terms.

**INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT  
acting through its Treasury Vice Presidency as issuer of  
Wildlife Conservation Bonds**

**By**

\_\_\_\_\_  
**Authorized Representative**

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**SOUTH AFRICAN NATIONAL PARKS**

**By**

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**Authorized Representative**

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**EASTERN CAPE PARKS AND TOURISM AGENCY**

**By**

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**Authorized Representative**

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Annex 1: Schedule of Foregone Coupon Payments**

1. The amount of each Foregone Coupon Payment to be made to each of the Recipients will be determined as the percentage specified in the below table multiplied by the Total Conservation Investment Payment as defined in the Wildlife Conservation Bonds:

Foregone Coupon Payments		AENP	GFRNR
Year	Dates		
2022	As per payment dates set out in the Wildlife Conversation Bonds	12%	8%
2022		12%	8%
2023		4%	3%
2023		4%	3%
2024		4%	3%
2024		4%	3%
2025		4%	4%
2025		4%	4%
2026		5%	3%
2026		5%	3%

2. Pursuant to Section I.B.4 of Schedule 2 to the Grant Agreement, any deposit relating to the Foregone Coupon Payments will be made to the following banking accounts:

- (a) For SANParks:

First National Bank, a division of FirstRand Bank Limited (“FNB”)

Account Type	Public Sector Managed Account
Branch Code	210554
Swift Code	FIRNZAJJ
Account Number	62029323053
Branch Name	Comm. Account Services Cust.

- (b) For ECPTA:

First National Bank, a division of FirstRand Bank Limited (“FNB”)

Account Type	Public Sector Managed Account
Branch Code	211021
Swift Code	FIRNZAJJ
Account Number	62692235651
Branch Name	Vincent Park 671

:

## APPENDIX

### **I. Definitions**

1. “AENP” means the Addo Elephant National Park.
2. “Annual Work Plan and Budget” means the annual work plan and budget referred to in Section I.B.3 of Schedule 2 to this Agreement.
3. “Anti-Corruption Guidelines” means, for purposes of paragraph 2 of the Appendix to the Standard Conditions, 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, and as of July 1, 2016.
4. “CAGR” means the compound annual growth rate.
5. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
6. “Conservation Success Payments” means the amount allocated under Category (1) of the table set forth in Section III.A.2 of Schedule 2 to this Agreement, to be paid to the bondholders of the Wildlife Conservation Bonds as per the formula set forth in the Wildlife Conservation Bond.
7. “ECPTA” means the Eastern Cape Parks and Tourism Agency.
8. “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated December 15, 2020, as the same may be amended from time to time in accordance with the provisions thereof, which sets out the material measures and actions that the Recipient shall carry out or cause to be carried out to address the potential environmental and social risks and impacts of the Project, including the timeframes of the actions and measures, institutional, staffing, training, monitoring and reporting arrangements, and any environmental and social instruments to be prepared thereunder.
9. “Environmental and Social Standards” or “ESSs” means, collectively:  
(i) “Environmental and Social Standard 1: Assessment and Management of Environmental and Social Risks and Impacts”; (ii) “Environmental and Social Standard 2: Labor and Working Conditions”; (iii) “Environmental and Social Standard 3: Resource Efficiency and Pollution Prevention and Management”; (iv) “Environmental and Social Standard 4: Community Health and Safety”; (v) “Environmental and Social Standard 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement”; (vi) “Environmental and Social Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources”; (vii) “Environmental and Social Standard 7: Indigenous Peoples/Sub-Saharan Historically Underserved Traditional Local Communities”; (viii) “Environmental and Social Standard 8: Cultural Heritage”;

- (ix) “Environmental and Social Standard 9: Financial Intermediaries”;  
(x) “Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure”; effective on October 1, 2018, as published by the Bank.
10. “Foregone Coupon Payments” means the interest foregone by the bondholders of the Wildlife Conservation Bonds for purposes of financing the Project, which are also referred to as Conservation Investment Payments in the Wildlife Conservation Bonds.
  11. “GFRNR” means the Great Fish River Nature Reserve.
  12. “Implementation Unit” means each of the units already established by the Recipients and referred to in Section I.b.1 of Schedule 2 to this Agreement.
  13. “Know-Your-Customer Requirements” means the information-sharing and other requirements that the Payment Bank needs to have satisfactorily completed by the Recipients for the purposes of transferring the Foregone Coupon Payments to the Recipients.
  14. “Legal Documentation” means: (a) for SANParks: National Parks Act No.57 of 1976, which continue to exist in terms of section 54(1) of the National Environmental Management: Protected Areas Act 57 of 2003; and (b) for ECPTA: Eastern Cape Parks and Tourism Agency Act No. 2 of 2010.
  15. “Payment Bank” means Citibank, N.A., as global agent for the Issuer’s bond issuance program, or any replacement or successor global agent.
  16. “Procurement Regulations” means, for purposes of paragraph 20 of the Appendix to the Standard Conditions, the “World Bank Procurement Regulations for IPF Borrowers”, dated July 2016, revised November 2017 and August 2018.
  17. “Project Implementation Manual” means the manual prepared by the Recipients and referred to in Section I.B.2 of Schedule 2 to this Agreement.
  18. "SANParks" means South African National Parks, a statutory body established in terms of the now repealed National Parks Act No.57 of 1976 and continuing to exist in terms of section 54(1) of the National Environmental Management: Protected Areas Act 57 of 2003.
  19. “Signature Date” means the later of the two dates on which the Recipient and the Bank signed this Agreement and such definition applies to all references to “the date of the Grant Agreement” in the Standard Conditions.
  20. “Standard Conditions” means the “International Bank for Reconstruction and Development and International Development Association Standard Conditions for Grant Financing Made by the Bank out of Trust Funds”, dated February 25, 2019.
  21. “Targeted Protected Areas” means AENP and GFRNR.

22. “Transfer Agreement” means the agreement to be executed between the Issuer and the Recipients under the terms and conditions set out in Schedule 3 of this Agreement.
23. “Verification Reports” means the reports to be prepared by the independent third-part verifier(s) referred to in Section I.C of this Schedule 2 of this Agreement and to be engaged by the Issuer (“Verification Agent”), showing the achievement of the estimated rhino growth at the Targeted Protected Areas as per the CAGR set out in Section III.B.1(b) of Schedule 2 of this Agreement. Conservation Success Payments are not dependent upon delivery of Verification Reports by the Verification Agent upon the occurrence of a Verification Agent Replacement Event as defined in the Wildlife Conservation Bonds.
24. “Wildlife Conservation Bonds” means the bonds issued by the Issuer whose bondholders have agreed to forego the coupon payments for purposes of financing the Project.

**II. Modifications to the Standard Conditions for purposes of implementing the Project and the Conservation Success Payments**

The Standard Conditions are hereby modified as follows:

1. Whenever used throughout the Standard Conditions:
  - (a) the term “Recipient” is understood to refer to any of the Recipients under this Agreement; and
  - (b) for purposes of Project implementation: (a) the term “Grant” is modified to read “Foregone Coupon Payments”; and (b) the term “Grant Account” means the account to which the Foregone Coupon Payments are credited.