

Date: 24-Sep-2020

Ms. Nikki Philline C. de la Rosa
Country Director
International Alert
Philippine Country Office
Room 108 PSS Center
Commonwealth Avenue
Diliman, Quezon City
1101 Metro Manila

Re: Grant No. TFOB3738
Conflict Monitoring and Land Resources Management for Marawi
and BARMM Project
Letter Agreement

Dear Ms. Nikki Philline C. de la Rosa:

In response to the request for financial assistance made on behalf of International Alert (“Recipient”), I am pleased to inform you that the International Bank for Reconstruction and Development/International Development Association (“Bank”), acting as administrator of grant funds provided by various donors (“Donor(s)”) under the Philippines’ Mindanao Reconstruction and Development Program Multi-Donor Trust Fund, proposes to extend to the Recipient for the benefit of Republic of Philippines (“Member Country”), a grant in an amount not to exceed eight hundred fifty thousand Dollars (USD 850,000) (“Grant”) on the terms and conditions set forth or referred to in this letter agreement (“Agreement”), which includes the attached Annex, to assist in the financing of the project described in the Annex (“Project”).

This Grant is funded out of the abovementioned trust fund for which the Bank receives periodic contributions from the Donors. In accordance with Section 3.02 of the Standard Conditions (as defined in the Annex to this Agreement), the 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.

The Recipient represents, by confirming its agreement below, that it is authorized to enter into this Agreement and to carry out the Project in accordance with the terms and conditions set forth or referred to in this Agreement.

Please confirm the Recipient's agreement to the foregoing by having an authorized official of the Recipient sign and date this Agreement, and returning one duly executed copy to the Bank.

Very truly yours,
INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT/INTERNATIONAL DEVELOPMENT
ASSOCIATION

By Ndiane Diop
Ndiamé Diop
Country Director for Brunei, Malaysia, Philippines and Thailand

AGREED:
INTERNATIONAL ALERT

By Nikki Philline C. de la Rosa
Authorized Representative
Name Nikki Philline C. de la Rosa
Title Country Director
Date 24-Sep-2020

Enclosures:

- (1) "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
- (2) Disbursement and Financial Information Letter of the same date as this Agreement, together with the "Disbursement Guidelines for Investment Project Financing", dated February 2017

Article I
Standard Conditions; Definitions

1.01. **Standard Conditions.** The Standard Conditions (as defined in Section 1.02 below) constitute an integral part of this Agreement.

1.02. **Definitions.** 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 Section:

- (a) “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.
- (b) “Conflict Alert” means a subnational conflict monitoring system developed and managed by the Recipient to track the incidence, causes, and human costs of violent conflict in the Member Country.
- (c) “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated September 14, 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.
- (d) “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.
- (e) “Incremental Operating Costs” means the reasonable incremental operating costs under the Project incurred by the Recipient for purposes of Project management and implementation, on account of office supplies and consumables, utilities, bank charges, communications, mass media and printing services, vehicle rental,

operation, maintenance, and insurance, building and equipment maintenance, domestic travel, lodging and subsistence allowances, and salaries of contractual and temporary staff, but excluding salaries and any salary supplements of officials and staff of the Member Country's civil service.

- (f) "Local Government Units" or "LGUs" means the territorial and political subdivisions of the Member Country at the provincial, city, municipal, and barangay levels; or any successor thereto.
- (g) "Multi-Stakeholder Validation Groups" means, collectively, the groups to be established and maintained by the Recipient in accordance with Section 2.03.(a)(ii) of this Annex, and any successor thereto.
- (h) "Personal Data" means any information relating to an identified or identifiable individual. An identifiable individual is one who can be identified by reasonable means, directly or indirectly, by reference to an attribute or combination of attributes within the data, or combination of the data with other available information. Attributes that can be used to identify an identifiable individual include, but are not limited to, name, identification number, location data, online identifier, metadata and factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of an individual.
- (i) "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.
- (j) "Project Management Committee" means a committee to be established and maintained by the Recipient in accordance with Section 2.03.(a)(i) of this Annex, and any successor thereto.
- (k) "Project Operations Manual" mean the manual to be adopted by the Recipient for the implementation of the Project referred to in Section 2.03.(b) of this Annex, containing detailed arrangements and procedures for: (a) institutional coordination and day-to-day execution of the Project; (b) disbursement and financial management; (c) procurement; (d) environmental and social impact management measures; (e) monitoring and evaluation, reporting and communication; (f) an integrity action plan, (g) personal data collection and processing in accordance with good international practice, roles and responsibilities for Project implementation; and (h) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the Project; as said manual may be modified from time to time with the prior written approval of the Bank, and such term includes any schedules to such manual.
- (l) "Selected Areas" means, collectively, the Member Country's cities of Marawi, Kapai, Bubong and Ditsaan-Ramain; and "Selected Area" means any of the Selected Areas.
- (m) "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.

- (n) “Technical Working Group” means a group to be established and maintained by the Recipient in accordance with Section 2.03.(a)(iii) of this Annex, and any successor thereto
- (o) “Training and Workshops” means training activities financed under the Project, incurred for the purpose of the Project, and attributable to seminars, study tours and workshops, along with the cost of domestic and international travel and subsistence for training participants, services of trainers, rental of training facilities, preparation and reproduction of training materials, and other activities directly related to training preparation and implementation.

Article II Project Execution

2.01. ***Project Objectives and Description.*** The objective of the Project is to strengthen the capacity of the LGUs of Marawi, Kapaï, Bubong and Ditsaan-Ramain for participatory, inclusive and conflict-sensitive resource-based planning and management. The Project consists of the following parts:

Part 1: Conflict Monitoring System

Enhancing the existing database of, and user access to, the Conflict Alert through: (a) establishment of a dataset on conflict incidents during the calendar year of 2020 in the Selected Areas; and (b) carrying out of analysis and validation on conflict causes and patterns and regional comparisons on conflict incidents.

Part 2: Strengthening Resource Use and Management Planning

- (a) Providing technical and operational assistance in the application of the Resource Use and Management Planning (RUMP) in the Selected Areas, through (i) the formation of a Technical Working Group in each of municipalities to provide clarifications on the objective, and expected outputs and outcomes of the RUMP process; and (ii) the carrying-out of workshops on resource mapping, conflict mapping, development agendas, and map validation and finalization.
- (b) Enhancing capacity of local governments and key community stakeholders in land resource governance through the delivery of trainings and capacity building activities to LGU representatives.

Part 3: Dissemination for Increased Demand and Usage of Available Data

Carrying out a program of activities to establish an online resource-center accompanied with offline technical support to relevant stakeholders in the Selected Areas, including:

- (a) Enhancing the Conflict Alert to add an existing web-based resource platform to provide quantitative data and maps;
- (b) Providing technical advice on how to use data collected under Parts 1 and 2 to LGUs of the Selected Areas;

- (c) Providing regular thematic briefings to LGUs of Selected Areas, key BARMM ministries and mandated agencies handling land issues and conflict resolution related to the Marawi rehabilitation; and
- (d) Disseminating the Conflict Alert Report for the calendar year of 2020 and the implementation of a strategic advocacy plan to promote wide-spread use of the database of Conflict Alert.

2.02. ***Project Execution Generally.*** The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall carry out the Project in accordance with the provisions of: (a) Article II of the Standard Conditions; (b) the Anti-Corruption Guidelines; and (c) this Article II.

2.03. ***Institutional and Other Arrangements.***

- (a) ***Institutional Arrangements.***
 - (i) The Recipient shall establish, and thereafter, throughout the period of implementation of the Project, maintain: (1) a Project Management Committee, responsible for: reviewing the progress of Project implementation; providing strategic guidance; coordinating with relevant stakeholders; and developing and implementing and advocacy strategy for the Project; and (2) a Project team responsible for day-to-day implementation of the Project, including: procurement, financial management, environmental and social impact management, and monitoring and evaluation of the Project; both with composition, powers, functions, staffing, facilities and other resources acceptable to the Bank;
 - (ii) To facilitate the implementation of Part 1 of the Project, the Recipient shall maintain, throughout the period of implementation of the Project, Multi-Stakeholder Validation Groups, on terms of reference and with qualifications acceptable to the Bank, responsible for analyzing and validating conflict incident reports; and
 - (iii) To facilitate the implementation of Part 2 of the Project, the Recipient shall establish, and thereafter, throughout the period of implementation of the Project, maintain a Technical Working Group in each of the municipalities of the Selected Areas on terms of reference and with qualifications acceptable to the Bank, to facilitate the coordination with relevant LGUs.
- (b) ***Project Operations Manual.*** The Recipient shall, by no later than one (1) month after the date of this Agreement, prepare and adopt a Project Operations Manual, and thereafter ensure that the Project is carried out in accordance with the arrangements and procedures set out in the Project Operations Manual (provided, however, that in the event of any conflict between the arrangements and procedures set out in the Project Operations Manual and the provisions of this Agreement, the provisions of this Agreement shall prevail); and shall not amend, abrogate or waive any provision of the Project Operations Manual unless the Bank has provided its prior no-objection thereof in writing.

2.04. **Environmental and Social Standards.**

- (a) 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.
- (b) Without limitation upon paragraph (a) 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:
 - (i) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, as provided in the ESCP;
 - (ii) sufficient funds are available to cover the costs of implementing the ESCP;
 - (iii) 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
 - (iv) 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.
- (c) In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.
- (d) The Recipient shall ensure that:
 - (i) 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: (A) the status of implementation of the ESCP; (B) conditions, if any, which interfere or threaten to interfere with the implementation of the ESCP; and (C) corrective and preventive measures taken or required to be taken to address such conditions; and
 - (ii) 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, in accordance with the ESCP, the environmental and social instruments referenced therein and the Environmental and Social Standards.
- (e) 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.

2.05. **Documents; Records.**

In addition and without limitation to the obligations set forth in Section 2.05 of the Standard Conditions, the Recipient shall ensure that:

(a) all records evidencing expenditures under the Project are retained for seven years and six months after the Closing Date, such records to include: (i) this Agreement, all addenda thereof, and any amendments thereto; (ii) the Recipient's financial and narrative progress reports submitted to the Bank; (iii) the Recipient's financial information related to the Grant, including audit reports, invoices and payroll records; (iv) the Recipient's implementation documentation (including sub-agreements, procurement files, contracts, purchase orders); and (v) the corresponding supporting evidence referred to in Section 3.04 of the Standard Conditions; and

(b) the representatives of the Bank are: (i) able to examine all records referred to above in paragraph (a); (ii) provided all such information concerning such records as they may from time to time reasonably request; and (iii) able to disclose such records and information to the Donor.

2.06. **Project Monitoring, Reporting and Evaluation.** The Recipient shall ensure that each Project Report is furnished to the Bank not later than one month after each calendar semester, covering the calendar semester. Except as may otherwise be explicitly required or permitted under this Agreement or as may be explicitly requested by the Bank, in sharing any information, report or document related to the activities described in Section 2.01 of this Annex, the Recipient shall ensure that such information, report or document does not include Personal Data.

**Article III
Withdrawal of Grant Proceeds**

3.01. **Eligible Expenditures.** The Recipient may withdraw the proceeds of the Grant in accordance with the provisions of: (a) Article III of the Standard Conditions; and (b) this Section; to finance 100% of Eligible Expenditures consisting of goods, consulting services, non-consulting services, Incremental Operating Costs, and Training and Workshops, inclusive of Taxes.

3.02. **Withdrawal Conditions.** Notwithstanding the provisions of Section 3.01 of this Agreement, no withdrawal shall be made for payments made prior to the date of this Agreement.

3.03. **Withdrawal Period.** The Closing Date is March 31, 2021.

**Article IV
Recipient's Representative; Addresses**

4.01. **Recipient's Representative.** The Recipient's Representative referred to in Section 7.02 of the Standard Conditions is the Country Director.

4.02. **Recipient's Address.** For purposes of Section 7.01 of the Standard Conditions: (a) the Recipient's Address is:

Room 108 PSS Center
Commonwealth Avenue
Diliman, Quezon City

1101 Metro Manila; and

(b) the Recipient's Electronic Address is:

E-mail:

ndelarosa@international-alert.org

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

International Bank for Reconstruction and Development/ International Development Association

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

PhilippinesCMU@worldbank.org