

CONFORMED COPY

GET GRANT NUMBER 28627 SEY

GLOBAL ENVIRONMENT TRUST FUND
GRANT AGREEMENT

(Environment and Transport Project)

between

REPUBLIC OF SEYCHELLES

and

INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT
acting as Trustee of the Global Environment
Trust Fund

Dated January 15, 1993

GET GRANT NUMBER 28627 SEY

GLOBAL ENVIRONMENT TRUST FUND GRANT AGREEMENT

AGREEMENT, dated January 15, 1993, between REPUBLIC OF SEYCHELLES (the Recipient) and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT acting as Trustee of grant funds provided by Participants of the Global Environment Facility into the Global Environment Trust Fund (GET) (the Trustee).

WHEREAS: (A) the International Bank for Reconstruction and Development (the Bank) pursuant to Resolution No. 91-5 of March 14, 1991, of the Executive Directors of the Bank (the Resolution), established the Global Environment Facility consisting of the GET, Cofinancing Arrangements with the GET and the Ozone Projects Trust Fund, to assist in the protection of the global environment and promote thereby environmentally sound and sustainable economic development;

(B) certain members of the Bank (the Participants) have provided resources by way of grants into the GET and the Participants have requested and the Bank has agreed, to administer such grant funds as Trustee, for the purposes of, and in accordance with, provisions of the Resolution;

(C) the Recipient has prepared an environmental action plan for the management and preservation of its environment (hereinafter referred to as the Environmental Management Plan of Seychelles or EMPS);

(D) the Recipient, having satisfied itself as to the feasibility and priority of the Project described in Schedule 2 to this Agreement, has requested assistance from the resources of the GET to support the EMPS by financing Part B of the Project, and the Trustee has determined that such assistance would be in accordance with the provisions of the Resolution;

(E) the Recipient has also requested the Bank to provide additional financing towards the financing of the Project, and the Bank has agreed to provide such assistance in an aggregate principal amount equivalent to four million five hundred thousand dollars (\$4,500,000); and

(F) the Trustee has agreed, on the basis, inter alia, of the foregoing, to extend the GET Grant to the Recipient upon the terms and conditions set forth in this Agreement;

NOW THEREFORE the parties hereto hereby agree as follows:

ARTICLE I

General Conditions; Definitions

Section 1.01. (a) The following provisions of the General Conditions Applicable to Loan and Guarantee Agreements of the Bank, dated January 1, 1985, with the modifications set forth in paragraph (b) of this Section (the General Conditions) constitute an integral part of this Agreement:

- (i) Article I;
- (ii) Sections 2.01 (1), (2), (3), (4), (6), (8), (9), (10), (11), (15), (18) and (20), 2.02 and 2.03;
- (iii) Section 3.01;
- (iv) Section 4.01 and the first sentence of Section 4.09;
- (v) Article V;
- (vi) Sections 6.01, 6.02 (c), (d), (e), (f), (i) and (k), 6.03, 6.04 and 6.06;
- (vii) Section 8.01 (b);
- (viii) Sections 9.01 (a) and (c), 9.04, 9.05, 9.06, 9.07, 9.08 and 9.09;
- (ix) Sections 10.01, 10.03 and 10.04;
- (x) Article XI; and
- (xi) Sections 12.03 and 12.04.

(b) The General Conditions shall be modified as follows:

- (i) a new paragraph shall be added to the end of Section 2.01 to read as follows: "the term "Special Drawing Rights" and the symbol "SDR" mean special drawing rights as valued by the International Monetary Fund in accordance with its Articles of Agreement";
- (ii) the term "Bank", wherever used in the General Conditions, other than in Sections 2.01 (8) and 6.02 (f) thereof and the last use of such term in Section 5.01 thereof, means the Trustee except that

in Section 6.02, the term "Bank" shall also include the International Bank for Reconstruction and Development acting in its own capacity;

- (iii) the term "Borrower", wherever used in the General Conditions, means the Recipient;
- (iv) the term "Loan Agreement", wherever used in the General Conditions, means this Agreement;
- (v) the term "Loan" and "loan" wherever used in the General Conditions, means the GET Grant; and
- (vi) the term "Loan Account" wherever used in the General Conditions, means the GET Grant Account.

Section 1.02. Wherever used in this Agreement, unless the context otherwise requires, the several terms defined in the General Conditions and in the Recitals to this Agreement have the respective meanings therein set forth and the following additional terms have the following meanings:

(a) "CODEVAR" means the Recipient's Compagnie pour le developpement de l'Artisanat Limited;

(b) "DOE" means the Division of Environment of MEPER;

(c) "DOI" means the Recipient's Department of Industry;

(d) "DOI/CODEVAR Memorandum of Understanding" means the Memorandum of Understanding to be prepared and agreed upon by MEPER, DOI and CODEVAR, pursuant to Section 3.04 (a) of this Agreement, as the same may be amended from time to time, and such term includes all schedules to the DOI/CODEVAR Memorandum of Understanding.

(e) "MEPER" means the Recipient's Ministry of Environment, Economic Planning and External Relations;

(f) "PMSD" means the Ports and Marine Services Division of the Recipient's Ministry of Tourism and Transport;

(g) "PMSD Memorandum of Understanding" means the Memorandum of Understanding to be prepared and agreed upon by MEPER and PMSD, pursuant to Section 3.04 (b) of this Agreement, as the same may be amended from time to time, and such term includes all schedules to the PMSD Memorandum of Understanding.

(h) "SIF" means the Seychelles Island Foundation; and

(i) "SIF Memorandum of Understanding" means the agreement to be entered into between the Recipient and SIF, pursuant to Section 3.02 (a) of this Agreement, as the same may be amended from time to time, and such term includes all schedules to the SIF Memorandum of Understanding.

ARTICLE II

The GET Grant

Section 2.01. The Trustee agrees to make available to the Recipient, on the terms and conditions set forth or referred to in this Agreement, the GET Grant in an amount in various currencies equivalent to one million three hundred thousand Special Drawing Rights (SDR 1,300,000).

Section 2.02. The amount of the GET Grant may be withdrawn from the GET Grant Account in accordance with the provisions of Schedule 1 to this Agreement for expenditures made (or, if the Trustee shall so agree, to be made) in respect of the reasonable cost of goods and services required for carrying out the Project and to be financed out of the proceeds of the GET Grant.

(b) The Recipient shall, for the purposes of the Project, open and maintain in dollars a special deposit account in a commercial bank on terms and conditions satisfactory to the Trustee, including appropriate protection against set-off, seizure or attachment. Deposits into, and payments out of, the Special Account shall be made in accordance with the provisions of Schedule 5 to this Agreement.

Section 2.03. The Closing Date shall be December 31, 1996, or such later date as the Trustee shall establish. The Trustee shall promptly notify the Recipient of such later date.

ARTICLE III

Execution of the Project

Section 3.01. (a) The Recipient declares its commitment to the objectives of the Project as set forth in Schedule 2 to this Agreement and, to this end, shall carry out Parts B.1, B.2 and B.3 of the Project, through SIF/MEPER, DOE/DOI/CODEVAR and PMSD, respectively, with due diligence and efficiency, in conformity with appropriate administrative, financial and technical practices, and with due regard to ecological and environmental factors, and shall provide, promptly as needed, the funds, facilities, services and other resources required for the Project.

(b) Without limitation upon the provisions of paragraph (a) of this Section, and except as the Recipient and the Trustee shall otherwise agree, the Recipient shall carry out Part B of the Project in accordance with the Implementation Program set forth in Schedule 4 to this Agreement, the SIF Memorandum of Understanding, the DOI/CODEVAR Memorandum of Understanding and the PMSD Memorandum of Understanding.

Section 3.02. (a) The Recipient shall conclude the SIF Memorandum of Understanding, acceptable to the Trustee, with SIF for the execution and management of Part B.1 of the Project.

(b) The Recipient shall exercise its rights under the SIF Memorandum of Understanding in such manner as to protect the interests of the Recipient and the Trustee, and to accomplish the purposes of the GET Grant and, except as the Trustee shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive the SIF Memorandum of Understanding, or any provision thereof.

Section 3.03. Except as the Trustee shall otherwise agree, procurement of the goods, works and consultants' services required for Part B of the Project and to be financed out of the proceeds of the GET Grant shall be governed by the provisions of Schedule 3 to this Agreement.

Section 3.04. The Borrower shall cause:

(a) MEPEP, DOI and CODEVAR to prepare and agree upon a Memorandum of Understanding, giving details of the implementation arrangements for the implementation of the turtle trade compensation study, and the compensation and retraining program for turtle shell artisans, under Part B.2 of the Project;

(b) MEPEP and PMSD to prepare and agree upon a Memorandum of Understanding, giving details of the implementation arrangements for the implementation of Part B.3 of the Project.

ARTICLE IV

Financial Covenants

Section 4.01. (a) The Recipient shall maintain or cause to be maintained records and accounts adequate to reflect in accordance with sound accounting practices the operations, resources and expenditures, in respect Part B of the Project, of the departments or agencies of the Recipient responsible for carrying out Part B of

the Project.

(b) The Recipient shall:

- (i) have the records and accounts referred to in paragraph (a) of this Section, including those for the Special Account, for each fiscal year audited, in accordance with appropriate auditing principles consistently applied, by independent auditors acceptable to the Trustee;
- (ii) furnish to the Trustee as soon as available, but in any case not later than six months after the end of each such year, the report of such audit by said auditors, of such scope and in such detail as the Trustee shall have reasonably requested; and
- (iii) furnish to the Trustee such other information concerning said records and accounts and the audit thereof as the Trustee shall from time to time reasonably request.

(c) For all expenditures with respect to which withdrawals from the GET Grant Account were made on the basis of statements of expenditure, the Recipient shall:

- (i) maintain or cause to be maintained, in accordance with paragraph (a) of this Section, records and accounts reflecting such expenditures;
- (ii) retain, until at least one year after the Trustee has received the audit report for the fiscal year in which the last withdrawal from the GET Grant Account was made, all records (contracts, orders, invoices, bills, receipts and other documents) evidencing such expenditures;
- (iii) enable the Trustee's representatives to examine such records; and
- (iv) ensure that such records and accounts are included in the annual audit referred to in paragraph (b) of this Section and that the report of such audit contains a separate opinion by said auditors as to whether the statements of expenditure submitted during such fiscal year, together with the procedures and internal controls involved in their preparation, can be relied upon to support the related withdrawals.

ARTICLE V

Remedies of the Trustee

Section 5.01. Pursuant to Section 6.02 (k) of the General Conditions, the following additional events are specified:

(a) SIF shall have failed to perform any of its obligations under the SIF Memorandum of Understanding.

(b) As a result of events which have occurred after the date of the Loan Agreement, an extraordinary situation shall have arisen which shall make it improbable that SIF will be able to perform its obligations under the SIF Memorandum of Understanding.

(c) The Seychelles Islands Foundation Decree (Decree No. 6 of 1979) shall have been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of SIF to perform any of its obligations under the SIF Memorandum of Understanding.

(d) The Recipient or any other authority having jurisdiction

shall have taken any action for the dissolution or disestablishment of SIF or for the suspension of its operations.

(e) CODEVAR shall have failed to perform any of its obligations under the DOI/CODEVAR Memorandum of Understanding.

(f) As a result of events which have occurred after the date of the Loan Agreement, an extraordinary situation shall have arisen which shall make it improbable that CODEVAR will be able to perform its obligations under the DOI/CODEVAR Memorandum of Understanding.

(g) The Memorandum and Articles of Association of CODEVAR shall have been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of CODEVAR to perform any of its obligations under the DOI/CODEVAR Memorandum of Understanding.

(h) The Recipient or any other authority having jurisdiction shall have taken any action for the dissolution or disestablishment of CODEVAR or for the suspension of its operations.

ARTICLE VI

Effectiveness; Termination

Section 6.01. The following event is specified as a condition to the effectiveness of the GET Grant Agreement, namely, that the National Coordinator referred to in paragraph 1 of Schedule 4 has been designated.

Section 6.02. The date ninety (90) days after the date of this Agreement is hereby specified for the purposes of Section 12.04 of the General Conditions.

Section 6.03. This Agreement shall continue in effect until the GET Grant has been fully disbursed and the parties to this Agreement have fulfilled all their obligations hereunder.

ARTICLE VII

Representative of the Recipient; Addresses

Section 7.01. The Minister of Economic Planning of the Recipient is designated as representative of the Recipient for the purposes of Section 11.03 of the General Conditions.

Section 7.02. The following addresses are specified for the purposes of Section 11.01 of the General Conditions:

For the Recipient:

Minister of Environment, Economic Planning
and External Relations
P.O. Box 656
Mont Fleuri
Republic of Seychelles

Telefax:

248 24845

Telex:

997 2260 MINAE SZ

For the Trustee:

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

Cable address:

Telex:

Project	expenditures
(5) Operating costs:	100%
(a) under Part B.1 of the Project	40,000
(b) under Part B.2 of the Project	40,000
(c) under Part B.3 of the Project	20,000
(6) Unallocated	125,000
	<hr/>
TOTAL	1,300,000 =====

2. For the purposes of this Schedule, the term "operating costs" means the incremental operating costs incurred under the Project on account of salaries and allowances of local contractual staff, maintenance of vehicles and fuel, and office rent, utilities and supplies.

3. Notwithstanding the provisions of paragraph 1 above, no withdrawals shall be made in respect of:

(a) payments made for expenditures prior to the date of this Agreement;

(b) expenditures under categories (1), (2)(a), (3)(a) and (5)(a) of the table in paragraph 1 of this Schedule, unless (i) the SIF Memorandum of Understanding has been duly prepared and agreed upon, and a copy thereof transmitted to the Trustee, and (ii) a full-time Executive Director has been designated on behalf of SIF to manage day-to-day operations under Part B.1 of the Project;

(c) expenditures under categories (2)(b), (3)(b), (4) and (5)(b) of the table in paragraph 1 of this Schedule, unless the DOI/CODEVAR Memorandum of Understanding has been prepared and agreed upon, and a copy thereof transmitted to the Trustee; and

(d) expenditures under categories (3)(c) and (5)(c) of the table in paragraph 1 of this Schedule, unless the PMSD Memorandum of Understanding has been prepared and agreed upon, and a copy thereof transmitted to the Trustee.

4. If the Trustee shall have determined at any time that any payment made from the GET Grant Account was used for any expenditure not consistent with the provisions of this Agreement, the Recipient shall, promptly upon notice from the Trustee, refund to the Trustee for deposit into the GET Grant Account, an amount equal to the amount so used or the portion thereof as specified by the Trustee.

SCHEDULE 2

Description of the Project

The objectives of the Project are to support environmental programs in resource management, biodiversity conservation and marine pollution control, assist with implementation of the EMPS, and improve the basis for sustained tourism growth, while preserving or restoring environmentally sensitive areas.

The Project consists of the following parts, subject to such modifications thereof as the Borrower and the Bank may agree upon from time to time to achieve such objectives:

Part A: Environment (Resource Management Program)

1. Praslin Water Supply Phase II

- o construction of two additional intakes near existing intakes at Fond B'Offay and Nouvelle Decouverte.
2. Water Resources/Water Management Studies of Outer Islands
 - o study of water resources and water management requirements of seven outer islands: Alphonse, Assomption, Astove, Coetivy, Desroches, Farquhar and Providence.
 - o implementation of water resources monitoring program.
 3. Preparation of Marine Resources Management Plans
 - o preparation and implementation of plans for the management of marine fisheries resources, especially tuna, reef fishes, demersal fishes and lobsters.
 - o preparation of education and information materials.
 4. DOE Organizational Study
 - o study of the organizational structure, including proposals for an improved structure for DOE, an assessment of coordination and monitoring requirements for environmental programs, and staffing and training proposals.
- Part B: Environment (Biodiversity Conservation and Marine Pollution Abatement Program)
1. Aldabra Ecosystem Restoration Program
 - o rehabilitation of scientific research station.
 - o strengthening of scientific and managerial personnel.
 - o eradication of feral goats.
 - o preparation of long term management plan for Aldabra.
 2. Protection of Sea Turtles
 - (a) Green turtle protection program:
 - * stock assessment, and preparation of a plan for the achievement and maintenance of a sustainable yield, of green turtles.
 - (b) Hawksbill turtle protection program:
 - * turtle ranching feasibility study.
 - * program (legislative measures, publicity campaigns, etc.) to control the supply and demand of turtle shells.
 - * turtle trade compensation study.
 - * compensation, retraining, and reinstallation program for turtle shell artisans.
 3. Abatement of Marine Pollution
 - o feasibility study and engineering designs for the construction of facilities to receive and dispose of waste from commercial and fishing vessels at the Port of Victoria.

Part C: Transport

1. Praslin Road Improvement Program

- o upgrading to paved status of Anse Boudin, Anse Consolation and Anse Kerlan road segments on Praslin, totalling 13.3 km.
2. Praslin Airport Improvements
- o extension and paving of parking apron.
 - o resurfacing of existing runway.
3. Road Traffic Safety Program
- o diagnostic and evaluation study of current situation, including an evaluation of economic and social costs of road accidents, and a proposed action plan to improve traffic safety.
 - o introduction of road signs and markings, installation of crash barriers, and improvement of street lighting.
 - o construction of 3-km footpath along Cascade Road to separate pedestrian and vehicular traffic.

* * *

The Project is expected to be completed by June 30, 1996.

SCHEDULE 3

Procurement and Consultants' Services

Section I: Procurement of Goods and Works

Part A: Procurement Procedures

1. Goods and works shall be procured under contracts awarded in accordance with procedures consistent with those set forth in Sections I and II of the "Guidelines for Procurement under IBRD Loans and IDA Credits" published by the Bank in May 1992 (the Guidelines).
2. Civil works up to an aggregate amount not to exceed \$95,000, and equipment, materials and supplies up to an aggregate amount not to exceed \$20,000, may be procured under contracts awarded on the basis of competitive bidding advertised locally, in accordance with procedures satisfactory to the Trustee.
3. Equipment, materials and supplies, up to an aggregate amount not to exceed \$170,000, may be procured on the basis of comparison of price quotations solicited from at least three suppliers eligible under the Guidelines, in accordance with procedures acceptable to the Trustee.
4. Contracts for office materials, office supplies and fuel, estimated to cost the equivalent of \$10,000 or less, up to an aggregate amount not to exceed \$100,000, may be awarded after direct negotiations with suppliers, in accordance with procedures acceptable to the Trustee.

Part B: Review by the Trustee of Procurement Decisions

1. Review of invitations to bid and of proposed awards and final contracts:
 - (a) With respect to each contract for civil works estimated to cost the equivalent of \$100,000 or more, and goods estimated to cost the equivalent of \$50,000 or more, the procedures set forth in paragraphs 2 and 4 of Appendix 1 to the Guidelines shall apply.
 - (b) With respect to each contract not governed by the preceding paragraph, the procedures set forth in paragraphs 3 and 4 of Appendix 1 to the Guidelines shall apply.

(c) The provisions of the preceding subparagraph (b) shall not apply to contracts on account of which withdrawals from the GET Grant Account are to be made on the basis of statements of expenditure.

2. The figure of 15% is hereby specified for purposes of paragraph 4 of Appendix 1 to the Guidelines.

Section II. Employment of Consultants

In order to assist the Recipient in carrying out Part B of the Project, the Recipient shall employ consultants whose qualifications, experience and terms and conditions of employment shall be satisfactory to the Trustee. Such consultants shall be selected in accordance with principles and procedures satisfactory to the Trustee on the basis of the "Guidelines for the Use of Consultants by World Bank Borrowers and by the World Bank as Executing Agency" published by the Bank in August 1981.

SCHEDULE 4

Implementation Program

1. The Recipient shall designate a National Coordinator within MEPER to be responsible for the overall coordination of the EMPS, including implementation of this Project.

2. The Recipient shall make adequate annual budgetary allocations to finance the operational budget of DOE.

3. The Recipient shall have appropriate legislation adopted, not later than December 31, 1993, to make it unlawful for any person:

(a) to hunt for, kill, capture, take, or otherwise tamper with, any hawksbill turtles, to which the restrictions under Appendix I of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) apply; or

(b) to deal in, or be engaged in any process of transformation, or trade, involving, such turtles or any part or product thereof.

4. (a) Not later than December 31, 1994, the Recipient and the Trustee shall undertake a mid-term review of the Project, during which they shall exchange views generally on all matters relating to the progress of the Project, and the performance by the Recipient of its obligations under this Agreement, including, but not limited to: (i) the overall managerial efficiency and performance of SIF, and (ii) progress in the sea turtles' management plans in relation to the outcome of stock assessment, the Hawksbill turtle ranching study, and the turtle trade compensation study.

(b) Not later than one month prior to each such review, the Recipient shall furnish to the Trustee, for its comments, a report, in such detail as the Trustee shall reasonably request, on the progress and status of the Project, and giving details, in particular, of the specific issues due to be addressed during such review.

(c) Following each such review, the Recipient shall act promptly and diligently, in order to take any corrective action deemed necessary to remedy any shortcoming noted in the implementation of the Project, or to implement such other measures as may have been agreed upon between the parties in furtherance of the objectives of the Project.

SCHEDULE 5

Special Account

1. For the purposes of this Schedule:

(a) the term "eligible Categories" means Categories (1) through (5) set forth in the table in paragraph 1 of Schedule 1 to this Agreement; and

(b) the term "Authorized Allocation" means an amount of \$100,000 to be withdrawn from the GET Grant Account and deposited into the Special Account pursuant to paragraph 3 (a) of this Schedule.

2. Payments out of the Special Account shall be made exclusively for eligible expenditures in accordance with the provisions of this Schedule.

3. After the Trustee has received evidence satisfactory to it that the Special Account has been duly opened, withdrawals of the Authorized Allocation and subsequent withdrawals to replenish the Special Account shall be made as follows:

(a) For withdrawals of the Authorized Allocation, the Recipient shall furnish to the Trustee a request or requests for a deposit or deposits which do not exceed the aggregate amount of the Authorized Allocation. On the basis of such request or requests, the Trustee shall, on behalf of the Recipient, withdraw from the GET Grant Account and deposit into the Special Account such amount or amounts as the Recipient shall have requested.

(b) (i) For replenishment of the Special Account, the Recipient shall furnish to the Trustee requests for deposits into the Special Account at such intervals as the Trustee shall specify.

(ii) Prior to or at the time of each such request, the Recipient shall furnish to the Trustee the documents and other evidence required pursuant to paragraph 4 of this Schedule for the payment or payments in respect of which replenishment is requested. On the basis of each such request, the Trustee shall, on behalf of the Recipient, withdraw from the GET Grant Account and deposit into the Special Account such amount as the Recipient shall have requested and as shall have been shown by said documents and other evidence to have been paid out of the Special Account for eligible expenditures.

All such deposits shall be withdrawn by the Trustee from the GET Grant Account under the respective eligible Categories, and in the respective equivalent amounts, as shall have been justified by said documents and other evidence.

4. For each payment made by the Recipient out of the Special Account, the Recipient shall, at such time as the Trustee shall reasonably request, furnish to the Trustee such documents and other evidence showing that such payment was made exclusively for eligible expenditures.

5. Notwithstanding the provisions of paragraph 3 of this Schedule, the Trustee shall not be required to make further deposits into the Special Account:

(a) if, at any time, the Trustee shall have determined that all further withdrawals should be made by the Recipient directly from the GET Grant Account in accordance with the provisions of Article V of the General Conditions and paragraph (a) of Section 2.02 of this Agreement; or

(b) once the total unwithdrawn amount of the Grant allocated to the eligible Categories, less the amount of any outstanding special commitment entered into by the Trustee pursuant to Section

5.02 of the General Conditions with respect to the Project, shall equal the equivalent of twice the amount of the Authorized Allocation.

Thereafter, withdrawal from the GET Grant Account of the remaining unwithdrawn amount of the Grant allocated to the eligible categories shall follow such procedures as the Trustee shall specify by notice to the Recipient. Such further withdrawals shall be made only after and to the extent that the Trustee shall have been satisfied that all such amounts remaining on deposit in the Special Account as of the date of such notice will be utilized in making payments for eligible expenditures.

6. (a) If the Trustee shall have determined at any time that any payment out of the Special Account: (i) was made for an expenditure or in an amount not eligible pursuant to paragraph 2 of this Schedule; or (ii) was not justified by the evidence furnished to the Trustee, the Recipient shall, promptly upon notice from the Trustee (A) provide such additional evidence as the Trustee may request, or (B) deposit into the Special Account (or, if the Trustee shall so request, refund to the Trustee) an amount equal to the amount of such payment or the portion thereof not so eligible or justified. Unless the Trustee shall otherwise agree, no further deposit by the Trustee into the Special Account shall be made until the Recipient has provided such evidence or made such deposit or refund, as the case may be.

(b) If the Trustee shall have determined at any time that any amount outstanding in the Special Account will not be required to cover further payments for eligible expenditures, the Recipient shall, promptly upon notice from the Trustee, refund to the Trustee such outstanding amount.

(c) The Recipient may, upon notice to the Trustee, refund to the Trustee all or any portion of the funds on deposit in the Special Account.

(d) Refunds to the Trustee made pursuant to paragraph 6 (a), (b) and (c) of this Schedule shall be credited to the GET Grant Account for subsequent withdrawal or for cancellation in accordance with the relevant provisions of this Agreement, including the General Conditions.

