
GEF GRANT NUMBER TF0B3244

Global Environment Facility

Grant Agreement

**(Second Additional Financing for Sustainable Natural Resources
Management Project)**

between

REPUBLIC OF THE SUDAN

and

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

(acting as an Implementing Agency of the Global Environment Facility)

GEF GRANT NUMBER TF0B3244

**GLOBAL ENVIRONMENT FACILITY
GRANT AGREEMENT**

AGREEMENT dated as of the Signature Date between the REPUBLIC OF THE SUDAN (“Recipient”) and the INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (“Bank”), acting as an implementing agency of the Global Environment Facility (“GEF”). The Recipient 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 to this Agreement.

**Article II
The Project**

- 2.01. The Recipient declares its commitment to the objectives of the project described in Schedule 1 to this Agreement (“Project”). To this end, the Recipient shall carry out the Project through the Ministry of Agriculture and Natural Resources 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 Recipient a grant in an amount of one million three hundred sixty-nine thousand eight hundred sixty-three United States Dollars (\$1,369,863.00) (“Grant”) to assist in financing the Project.
- 3.02. The Recipient may withdraw the proceeds of the Grant in accordance with Section III of Schedule 2 to this Agreement.
- 3.03. The Grant is funded out of the abovementioned trust fund for which the Bank receives periodic contributions from the donors to the trust fund. In accordance with Section 3.02 of the Standard Conditions, 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.

**Article IV
Effectiveness**

- 4.01. 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 Recipient have been duly authorized or ratified by all necessary governmental action; and
 - (b) The execution and delivery of the LDCF Grant Agreement on behalf of the Recipient have been duly authorized or ratified by all necessary governmental action.

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

- 5.01. The Recipient's Representative referred to in Section 7.02 of the Standard Conditions is the Minister responsible for finance.
- 5.02. For purposes of Section 7.01 of the Standard Conditions:
- (a) the Recipient's address is:

Ministry of Finance and Economic Planning
P.O. Box 298
Khartoum
Republic of the Sudan; and
 - (b) the Recipient's Electronic Address is:

Telex: Facsimile:

+249-183-777563 +249-183-776081
- 5.03. 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:
248423 (MCI) or 1-202-477-6391
64145 (MCI)

AGREED as of the Signature Date.

REPUBLIC OF THE SUDAN

By:

Dr. Hiba Mohamed Ali Ahmed

Authorized Representative

Name: Dr. Hiba Mohamed Ali Ahmed

Title: Minister of Finance

Date: 03-Nov-2020

**INTERNATIONAL BANK FOR RECONSTRUCTION AND
DEVELOPMENT**

(acting as an Implementing Agency of the Global Environment
Facility)

By:

Ousmane Dione

Authorized Representative

Name: Ousmane Dione

Title: Country Director

Date: 22-Oct-2020

SCHEDULE 1

Project Description

The objective of the Project is to increase the adoption of sustainable land and water management practices in targeted landscapes.

The Project consists of the following parts:

Part 1: Institutional and Policy Framework

- 1.1. Carry out a capacity development program designed to strengthen the capacity of select MDAs to formulate, implement and monitor programs and projects geared towards sustainable management of natural resources and biodiversity conservation including: (a) developing inter-agency collaboration mechanisms at the central and state level; (b) assisting communities in preparing and implementing investments under integrated land management plans; and (c) supporting village development committees to manage, monitor, and maintain infrastructures.
- 1.2. Carry out a program of activities designed to develop a policy and legislative framework that addresses sustainable forest and land use management in an integrated and multi-sector way, such a program to include such activities as: (a) preparing a strategy with practical recommendations, measures and policies for effective cooperation at federal-state-local and community levels for the protection and conservation of Sudan's natural resource base; and (b) strengthening policy framework and legislation for sustainable land and water management and biodiversity conservation.
- 1.3. Carry out a program of activities designed to address information and knowledge barriers to broader adoption of sustainable land and water management and biodiversity conservation practices, including designing and implementing a communication plan to disseminate information concerning processes, results and lessons learned through the Project.
- 1.4. Support research and studies on identifying and explaining current and future changes in conditions for malaria incidence, how irrigation and water harvesting facilities can be protected from becoming larvae breeding grounds for mosquitos and other relevant topics in the malaria – climate change – water management nexus as well as gender impact of malaria. Support the discussions and dissemination of the findings and actionable recommendations to the national stakeholders.

Part 2: Community Based Sustainable Management of Rangelands, Forests and Biodiversity

- 2.1. In Khartoum State, the project will gazette and rehabilitate the Sharg Elneel Forest Reserve and Khartoum shelterbelt and will rehabilitate the gazetted Om Seraig reserve in the Butana area in Gadarif State. The project will further support the preparation of integrated land management plans for the gazetted forests.
- 2.2. Carry out a program of activities to implement rangeland management which includes establishment of shelter belts for sand dune fixation, demarcation of animal migration routes and grazing land rotations, establishment of nurseries for rangeland rehabilitation clearing and opening of fire lines to protect rangelands. It may also include rehabilitation and cultivation in open spaces and seeding rangelands to improve range condition with fodder grasses.
- 2.3. Provide support in the protection and use of water resources. Community level project activities may include rehabilitation of existing hafirs and water sources, using other water harvesting techniques to utilize the water from wadis and khors (seasonal streams). Groundwater recharge capacity will be assessed before operations are put in place.
- 2.4. Carry out a program of activities to strengthen resilience of communities which may include establishing multiple water harvesting structures, including the application of GHG technologies (solar panels); strengthening the asset base of rural farmers including natural and financial capital, increasing the diversity of smallholder farming systems through the promotion of mixed cropping-livestock systems and diversification of crops; enhancing household food security and well-being through the introduction and improvement of home gardens; promoting equity and inclusion of vulnerable and marginal groups especially women; enhancing local institutions through support to VDC; diversifying access to alternative sources of energy, and improving the availability of/and smallholder access to climate information.
- 2.5. Provide support to the development of locality extension approaches by providing Training on: (i) appropriate SLWM technologies and current extension approaches; and (ii) best technologies for root and tuber crops. Support study tours to countries with relevant SLWM experience and local study tours to best SLWM practice sites and facilitate wider adoption of community-based SLWM practices in forest and rangelands in the target communities.
- 2.6. The project will support linkages among public agencies, private sector and financial institutions through workshops, conferences and Training to exchange perspectives and understand the role of private and public actors in community resilience activities. Focus on regulatory frameworks and policies has facilitated market entry of climate resilience technologies and may further include solar

panels to replace diesel pumps for remote village communities, gas cylinders to replace firewood for village cooking, non-forest product marketing to reduce transactional costs to market, and a piloting of biogas technology. The introduction of environmentally sound technologies is encouraging communities to establish further micro-finance capacities and the local private sector to further invest in commercializing these same technologies.

- 2.7. Provide technical assistance, Training, goods, works, services and operational costs related to the promotion of wider adoption of community-based SLWM practices in forests and rangelands in the targeted communities. Local communities will acquire the capacity to effectively participate in selection of rangeland activities, negotiation of access to grazing grounds, setting the guidelines for formation of local organization and associations (cooperatives) around specific NRM livelihood initiatives.

Part 3: Project Management, Monitoring and Evaluation

- 3.1. Design and implement a monitoring and evaluation system designed to track the Project results, including those registered in the tracking tools for biodiversity, land degradation and sustainable forest management.
- 3.2. Carry out Project management, including coordination, financial management, procurement, audits, and monitoring and evaluation, environment and social safeguards aspects, preparation of annual work plans and organizing and supervision missions and provision of goods and Operating Costs required for the purpose.

SCHEDULE 2

Project Execution

Section I. Institutional and Other Arrangements

A. Institutional Arrangements

1. **Project National Steering Committee (PNSC).** The Recipient shall establish and maintain, throughout Project implementation, a steering committee with composition, functions and resources satisfactory to the Bank to be responsible for, *inter alia*, overall Project progress, oversight and interagency coordination.
2. **Project Coordination Unit (PCU).** The Recipient shall establish and maintain, throughout Project implementation, a project coordination unit with staffing, terms of reference and resources satisfactory to the Bank to be responsible for, *inter alia*, overall coordination, management and monitoring of the Project.
3. **Technical Committee (TC).** The Recipient shall establish and maintain, throughout Project implementation, a project technical committee unit with composition, terms of reference and resources satisfactory to the Bank to be responsible for, *inter alia*, providing advice to Project Coordination Unit on technical aspects of the Project.
4. **State Project Implementation Unit (SPIU).** The Recipient shall establish and maintain, throughout Project implementation, state project implementation units in Gadarif and Khartoum States, which will work along with the already established project implementation units in White Nile, Gezira, Kassala, Northern, River Nile and North Kordofan states – each with staffing, terms of reference and resources satisfactory to the Bank to be responsible for, *inter alia*, state level coordination, management and monitoring of the Project.

B. Project Implementation Manual

1. The Recipient shall carry out the Project in accordance with the updated Project Implementation Manual in form and substance satisfactory to the Bank, containing detailed arrangements and procedures for implementation of the Project including, *inter alia*: (a) institutional coordination and day-to-day implementation of the Project; (b) disbursement, procurement and financial management including financial audit of the Project; (c) environmental and social safeguards management; (d) monitoring and evaluation, reporting and communication, including performance indicators; and (e) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the Project.

2. The Recipient shall: (a) furnish to and exchange views with the Bank on such manual promptly upon its update; and (b) thereafter adopt such manual as shall have been approved by the Bank.
3. The Recipient shall ensure that the Project is carried out in accordance with the arrangements and procedures set out in the Project Implementation Manual (provided, however, that in case of any conflict between the arrangements and procedures set out in the Project Implementation Manual and the provisions of this Agreement, the provisions of this Agreement shall prevail), and shall not amend, abrogate or waive, or permit to be amended, abrogated or waived, the Project Implementation Manual or any of its provisions without prior approval in writing by the Bank.

C. Safeguards

1. The Recipient shall carry out the Project in accordance with the Environmental and Social Management Framework (“ESMF”), Process Framework and any other Safeguard Document prepared or to be prepared by the Recipient in accordance with sub-paragraph 2 below.
2. Whenever an ESMP or Action Plan (each Safeguard Document) shall be required for any proposed Project activity in accordance with the provisions of the ESMF and/or the Process Framework, the Recipient shall:
 - (a) prior to the commencement of such activity, proceed to have such Safeguard Document: (i) prepared in accordance with the provisions of the ESMF and the Action Plan, as the case may be; (ii) furnished to the Bank for review and approval; and (iii) thereafter adopted and disclosed as approved by the Bank, in a manner acceptable to the Bank;
 - (b) thereafter take such measures as shall be necessary or appropriate to ensure compliance with the requirements of such Safeguard Document; and
 - (c) in the case of any resettlement activity under the Project involving Affected Persons, ensure that no displacement (including restriction of access to legally designated parks and protected areas) shall occur before necessary resettlement measures consistent with the relevant Process Framework have been executed, including, in the case of displacement, full payment to Affected Persons of compensation and of other assistance required for relocation, prior to displacement.
3. The Recipient shall not amend, abrogate or waive, or permit to be amended, abrogated or waived, the ESMF, the Process Framework and any Safeguard Document adopted or to be adopted in accordance with the provisions of paragraph 2 of this Part D, unless the Bank has provided its prior approval thereof in writing,

and the Recipient has complied with the same consultation and disclosure requirements as applicable to the original adoption of the said instruments.

4. Without limitation on its other reporting obligations under this Agreement, the Recipient shall collect, compile and submit to the Bank each calendar semester (or at such other frequency as may be agreed with the Bank) consolidated reports on the status of compliance with the ESMF, the Process Framework and the Safeguard Documents, as applicable, giving details of: (a) measures taken in furtherance of the said instruments; (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of the said measures; and (c) remedial measures taken or required to be taken to address such conditions.

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 sixty (6) days after the end of each calendar semester, covering the calendar semester.

Section III. Withdrawal of Grant Proceeds

A. General

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 Eligible Expenditures in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table.

Category	Amount of the Grant Allocated (expressed in USD)	Percentage of Expenditures to be Financed (inclusive of Taxes)
Goods, Operating Costs, Training, Works, non-consulting services and consultants' services including audits	1,369,863	100%
TOTAL AMOUNT	1,369,863	

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made for payments prior to the date of this Agreement.
2. The Closing Date is November 30, 2023.

APPENDIX

Definitions

1. “Action Plan” means each action plan, acceptable to the Bank, required pursuant to the Process Framework, as stated in Section I.C.2 of Schedule 2 to this Agreement, describing specific measures to assist the Affected Persons, along with the arrangements to implement such measures; and the term “Action Plans” means, collectively, all such plans.
2. “Affected Persons” means persons who, on account of the execution of the Project or any part thereof, have experienced or would experience direct economic and social impacts caused by: (a) the involuntary taking of land, resulting in: (i) relocation or loss of shelter; (ii) loss of assets or access to assets; or (iii) loss of income sources or means of livelihood, whether or not such persons must move to another location; or (b) the involuntary restriction of access to legally designated parks and protected areas resulting in adverse impacts on the livelihoods of the Project affected persons.
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. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
5. “Environmental and Social Management Framework” or “ESMF” means the framework of the Recipient dated February 2020, disclosed on the Bank’s website on February 20, 2020 and referred to in Section I.C.1 of Schedule 2 to this Agreement that include the set of mitigation, enhancement, monitoring, and institutional measures to be taken during implementation of the Project to eliminate any adverse environmental and social impacts, offset them, reduce them to acceptable levels, or to enhance positive impacts as set out in the framework.
6. “Environmental and Social Management Plan” or “ESMP” means, for a given Project activity, a site specific environmental and social management plan prepared by the Recipient in accordance with the ESMF pursuant to Section I.C.2 of Schedule 2 to this Agreement; and the term “ESMPs” means, collectively, all such plans.
7. “LDCF Grant Agreement” means the agreement to be entered between the Recipient and the Bank acting as administrator of the Least Developed Countries Fund for purposes of co-financing the Project.

8. “MDA” means a ministry, department or agency of the Recipient; and the term MDAs means, collectively, all such ministries, departments and agencies.
9. “Ministry of Agriculture and Natural Resources” or “MANR” means the Recipient’s ministry responsible for forestry and any successors thereto.
10. “Operating Costs” means the incremental expenditures incurred by the Recipient in the implementation of the Project, on account of office supplies, office rent, communication and insurance charges, maintenance of office equipment, vehicle operations and maintenance costs, utilities, travel and travel allowances, and salaries of locally contracted employees, but excluding salaries of officials of the Recipient’s civil service.
11. “Process Framework” means the process framework document of the Recipient dated February 2020, disclosed on the Bank’s website on February 20, 2020, and referred to in Section I.C.1 of Schedule 2 to this Agreement.
12. “Project Implementation Manual” means the manual referred to in Section I.B of Schedule 2 to this Agreement as the same may be amended from time to time with the prior written agreement of the Bank.
13. “Project Coordination Unit” or “PCU” means the project coordination unit established and maintained throughout Project implementation, with staffing, terms of reference and resources satisfactory to the Bank to be responsible for, *inter alia*, overall coordination, management and monitoring of the Project, as referred to in Section I.A.2 of Schedule 2 to this Agreement.
14. “Project National Steering Committee” or “PNSC” means a steering committee established and maintained, throughout Project implementation, with composition, functions and resources satisfactory to the Bank to be responsible for, *inter alia*, overall Project progress, oversight and interagency coordination, as referred to in Section I.A.1. of Schedule 2 to this Agreement.
15. “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.
16. “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.
17. “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, with the modifications set forth in Section II of this Appendix.

18. “State” means the second tier of government in the Recipient’s administrative system.
19. “State Project Implementation Unit” or “SPIU” means each of the State implementation units established in White Nile, Gezira and Kassala, North Kordofan River Nile, and Northern State, as referred to in Section IA.4 of Schedule 2 to this Agreement.
20. “Technical Committee” or “TC” means a project technical committee established and maintained throughout Project implementation, with composition, terms of reference, and resources satisfactory to the Bank to be responsible for, *inter alia*, providing advice to Project Coordination Unit on technical aspects of the Project, as referred to in Section I.A.3 of Schedule 2 to this Agreement.
21. “Training” means the following expenditures incurred in providing training or workshops: travel by participants and presenters to the training or workshop site, per diem allowances of such persons during the training or workshop, honoraria for the presenters, rental of facilities, materials, supplies and translation and interpretation services.