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OTF GRANT NUMBER TF096093

# Ozone Projects Trust Fund Grant Agreement

(Chiller Energy Efficiency Project)

between

REPUBLIC OF THE PHILIPPINES

and

INTERNATIONAL BANK FOR RECONSTRUCTION  
AND DEVELOPMENT  
acting as an Implementing Agency of the Ozone Projects Trust Fund

Dated June 28, 2010

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**OTF GRANT NUMBER TF096093**

**OZONE PROJECTS  
TRUST FUND GRANT AGREEMENT**

AGREEMENT dated June 28, 2010, entered into between the REPUBLIC OF THE PHILIPPINES (the Recipient); and the INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (the World Bank) acting as an Implementing Agency of the Ozone Projects Trust Fund (the OTF).

The Recipient and the World Bank hereby agree as follows:

**Article I  
Standard Conditions; Definitions**

- 1.01. The Standard Conditions for Grants Made by the World Bank out of Various Funds, dated July 1, 2008 (the Standard Conditions) constitute an integral 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 agreement dated the same date as this Agreement herewith between the Recipient and the International Bank for Reconstruction and Development acting as an Implementing Agency of the Global Environment Facility (the GEF Grant Agreement).

**Article II  
The Project**

- 2.01. The Recipient declares its commitment to the objectives of the project described in Schedule 1 to GEF Grant Agreement. To this end, the Recipient shall carry out the Project in accordance with the provisions of Article II of the Standard Conditions.
- 2.02. Without limitation upon the provisions of Section 2.01 of this Agreement, and except as the Recipient and the World Bank shall otherwise agree, the Recipient shall ensure that the Project is carried out in accordance with the provisions of the Schedule 2 to the GEF Grant Agreement, which shall apply mutatis mutandis, with the exception of Section IV thereof.

**Article III  
The Grant**

- 3.01. The World Bank agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a grant in an amount equal to one million Dollars (\$1,000,000) (the OTF Grant) to assist in financing the Project.
- 3.02. The Recipient may withdraw the proceeds of the Grant in accordance with the Schedule to this Agreement.
- 3.03. The OTF Grant is funded out of the abovementioned trust fund for which the World Bank receives periodic contributions. In accordance with Section 3.02 of the Standard Conditions, the Recipient may withdraw the OTF Grant proceeds subject to the availability of such funds.

**Article IV  
Additional Remedies**

- 4.01. The Additional Events of Suspension referred to in Section 4.02(k) of the Standard Conditions consists of the following:
  - (A) (i) Subject to sub-paragraph (ii) of this paragraph: (A) the right to withdraw the proceeds of the GEF Grant Agreement has been suspended, canceled or terminated in whole or in part, pursuant to the terms of the GEF Grant Agreement; (ii) Sub-paragraph (i) of this paragraph shall not apply if the Recipient establishes to the satisfaction of the World Bank that: (A) such suspension, cancellation or termination was not caused by the failure of the Recipient to perform any of its obligations under the GEF Grant Agreement; and (B) adequate funds for the Project are available from other sources on terms and conditions consistent with the Recipient's obligations under this Agreement.

**Article V  
Effectiveness; Termination**

- 5.01. This Agreement shall not become effective until evidence satisfactory to the World Bank has been furnished to the World Bank that the following conditions have been satisfied that the GEF Grant Agreement has been executed and delivered, and all conditions precedent to its effectiveness or to the right of the Recipient to make withdrawals thereunder (other than the effectiveness of this Agreement) have been fulfilled.
- 5.02. Except as the Recipient and the World Bank shall otherwise agree, this Agreement shall enter into effect on the date upon which the World Bank

dispatches to the Recipient notice of its acceptance of the evidence required pursuant to Section 5.01 above (“the Effective Date”). If, before the Effective Date, any event has occurred which would have entitled the World Bank to suspend the right of the Recipient to make withdrawals from the OTF Grant Account if this Agreement had been effective, the World Bank may postpone the dispatch of the notice referred to in this Section until such event (or events) has (or have) ceased to exist.

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

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

- 6.01. The Recipient’s Representative referred to in Section 7.02 of the Standard Conditions is its Secretary of Finance.

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

Department of Finance  
Department of Finance Building  
Bangko Sentral Complex  
Roxas Blvd.  
Manila, Philippines

Fax: (63-2) 532-9216

- 6.03. The World Bank’s Address referred to in Section 7.01 of the Standard Conditions is:

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

Cable:	Telex:	Facsimile:
INTBAFRAD Washington, D.C.	248423 (MCI) or 64145 (MCI)	1-202-477-6391

AGREED at Manila, Republic of the Philippines, as of the day and year first above written.

REPUBLIC OF THE PHILIPPINES

By /s/ Margarito Teves

Authorized Representative

INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT  
acting as an Implementing Agency of the  
Ozone Projects Trust Fund

By /s/ Bert Hofman

Authorized Representative

**SCHEDULE**  
**Withdrawal of Grant Proceeds**

**A. General**

1. The Recipient may withdraw the proceeds of the OTF Grant in accordance with the provisions of: (a) Article III of the Standard Conditions; (b) this Schedule; and (c) such additional instructions as the World Bank may specify by notice to the Recipient (including the “World Bank Disbursement Guidelines for Projects” dated May 2006, as revised from time to time by the World Bank and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the table in paragraph 2 below.

2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the OTF Grant, the allocations of the amounts of the OTF Grant to each category, and the percentage of expenditures to be financed for Eligible Expenditures in each category:

<b>Category</b>	<b>Amount of the OTF Grant Allocated (expressed in USD)</b>	<b>Percentage of Expenditures to be Financed (inclusive of Taxes)</b>
(1) Goods, consultants services, workshops and training and Incremental Operating Costs	1,000,000	100%
<b>TOTAL AMOUNT</b>	<b>1,000,000</b>	

**B. Withdrawal Conditions; Withdrawal Period**

1. Notwithstanding the provisions of Part A of this Schedule no withdrawal shall be made for payments made prior to the date of this Agreement, except that withdrawals up to an aggregate amount not to exceed \$200,000 equivalent may be made for payments made prior to this date but on or after January 15, 2010
2. The Closing Date referred to in Section 3.06(c) of the Standard Conditions is January 1, 2017.