Global Environment Facility
Grant Agreement

(Caribbean Regional Oceanscape Project)

Between

INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT

acting as an Implementing Agency of the Global Environment Facility

and

ORGANISATION OF EASTERN CARIBBEAN STATES

Dated OCTOBER 14, 2017
GLOBAL ENVIRONMENT FACILITY
GRANT AGREEMENT

AGREEMENT dated , 2017, entered into between INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT ("World Bank"), acting as an implementing agency of the Global Environment Facility ("GEF"), and the ORGANISATION OF EASTERN CARIBBEAN STATES ("OECS" or "Recipient").


Now therefore, the World Bank and the Recipient hereby agree as follows:

Article I
Standard Conditions; Definitions


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 this Agreement, except that reference to "Member Country" in the Standard Conditions means separately each Participating Country referred to in Section 3.01 of this Agreement.

Article II
The Project

2.01. The Recipient declares its commitment to the objective of the project described in Schedule 1 to this Agreement ("Project"). To this end, the Recipient, through the OECS Commission, shall carry out the Project in accordance with the provisions of Article II of the Standard Conditions, and the Eastern Caribbean Regional Ocean Policy.
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 Schedule 2 to this Agreement.

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 not to exceed six million three hundred thousand United States Dollars ($6,300,000) ("Grant") for the benefit of Dominica, Grenada, Saint Kitts and Nevis, Saint Lucia, and Saint Vincent and the Grenadines (collectively, "Participating Countries") to assist in financing the Project.

3.02. The Recipient may withdraw the proceeds of the Grant in accordance with Section IV of Schedule 2 to this Agreement.

3.03. The Grant is funded out of the GEF Trust Fund for which the World Bank receives periodic contributions. In accordance with Section 3.02 of the Standard Conditions, the World Bank’s payment obligations in connection with this Agreement are limited to the amount of funds made available to it by the donor under the GEF Trust Fund, and the Recipient’s right to withdraw the Grant proceeds is subject to the availability of such funds.

Article IV
Effectiveness; Termination

4.01. This Agreement shall not become effective until evidence satisfactory to the World Bank has been furnished to the World Bank showing that the execution and delivery of this Agreement on behalf of the Recipient has been duly authorized or ratified by all necessary action of the Recipient.

4.02. As part of the evidence to be furnished pursuant to Section 4.01, there shall be furnished to the World Bank an opinion or opinions satisfactory to the World Bank of counsel acceptable to the World Bank showing that this Agreement has been duly authorized or ratified by all necessary corporate action, and executed and delivered on its behalf, and is legally binding upon it in accordance with its terms.

4.03. Except as the Recipient and the World Bank shall otherwise agree, this Agreement shall enter into effect on the date upon which the Recipient receives the notice dispatched by the World Bank confirming its acceptance of the evidence required pursuant to Section 4.02 ("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 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.

4.04. **Termination for Failure to Become Effective.** 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 V**

**Recipient’s Representative; Addresses**

5.01. The Recipient’s Representative referred to in Section 7.02 of the Standard Conditions is its Director-General.

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

OECS Commission  
P.O. Box 179  
Morne Fortune  
Castries  
Saint Lucia

5.03. 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

Telex:  
248423 (MCI) or 64145 (MCI)  
Facsimile:  
1-202-477-6391
AGREED at District of Columbia, United States of America, as of the day and year first above written.

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

By

[Signature]

Authorized Representative

Name: TAHSEEN SAVED KHAN
Title: COUNTRY DIRECTOR

ORGANISATION OF EASTERN CARIBBEAN STATES

By

[Signature]

Authorized Representative

Name: DIDACUS JULIUS
Title: DIRECTOR GENERAL

OECS COMMISSION
SCHEDULE 1
Project Description

The objective of the Project is to strengthen capacity for ocean governance, and coastal and marine geospatial planning in the Participating Countries.

The Project consists of the following parts:

Part 1. Strengthening Ocean Governance

Provision of goods, consulting services, non-consulting services, Training and Operating Costs in support of the following activities:

A. Development of Coastal and Marine Spatial Plans and Training.
   (i) Development of coastal master plans for Dominica, Saint Kitts and Nevis, Saint Lucia, and Saint Vincent and the Grenadines, based on the established Coastal Master Plan of Grenada; and
   (ii) Development of individual marine spatial plan for each of the five Participating Countries, and a regional marine spatial plan, which includes (a) collecting temporal and dynamic data and undertaking a gap analysis, (b) developing an inventory of current and future or planned economic use patterns of ocean areas, (c) carrying out geospatial analysis, (d) carrying out national or regional consultations on marine spatial plans, and (e) creating spatial data infrastructure at the OECS Commission that is accessible to the Participating Countries.

B. Development of National and Regional Strategies and/or Policies. Development of at least two national strategies and/or ocean policies for selected Participating Countries that do not have in place such strategies and/or policies.

Part 2. Strengthening Knowledge and Capacity

Provision of goods, consulting services, non-consulting services, Training and Operating Costs in support of the following activities:

A. Expansion of Marine Data Aggregation and Analytical Tools. Expanding the development and use of innovative tools that aggregate and analyze marine data for improved decision-making concerning ocean assets.

B. Institutional Strengthening and Knowledge of Services. Enhancing aggregation of, and access to educational content concerning oceans
primarily via virtual approaches in line with the needs of the Participating Countries.

C. *Forging Investment and Knowledge Partnerships.* Carrying out an investor roundtable to forge new partnerships and raise interest in the Participating Countries’ transition to a Blue Economy, and strengthening OECS collaboration with the United Nations, including UNEP, to support the implementation of the Caribbean large marine ecosystem and strategic action programme across the OECS and the Caribbean region, and support for IW:LEARN activities.

**Part 3. Project Management, Monitoring and Assessment**

Provision of goods, consulting services, non-consulting services, Training, and Operating Costs to support the Project Implementation Unit in carrying out:

A. Project coordination and management, including technical, administrative and fiduciary support (financial management and procurement), and compliance with environmental and social safeguard requirements (which shall include the preparation under Part 1 of the Project of a regional strategic environmental and social assessment of the Project area, an indigenous people policy framework, a process framework, and involuntary resettlement policy framework, for future application);

B. Project monitoring and evaluation, data collection, and stakeholder engagement and coordination; and

C. Project audits.
Section I. Institutional and Other Arrangements

A. Institutional Arrangements

1. Without limitation to the provisions of Article II of the Standard Conditions and except as the World Bank shall otherwise agree, the Recipient shall establish and thereafter maintain throughout Project implementation, with composition, resources, terms of reference and functions acceptable to the World Bank, the Project Implementation Unit to be responsible for: (a) the overall management, coordination and implementation of the Project, including the Project's administrative, procurement, environmental and social safeguards, disbursement, and financial management responsibilities, as specified in the Project Operational Manual ("POM"); (b) assurance of the proper application in the Project of the requirements, criteria, policies, procedures and organizational arrangements set forth in the POM; and (c) preparation of all Project implementation documents, including Project supervision reports.

2. The Recipient shall maintain, at all times during Project implementation, the Project Steering Committee to provide oversight and guidance in the implementation of the Project and on any corrective measures, as may be needed, and consisting of representatives from the OECS Commission, the Participating Countries serving as focal points for ocean governance, and other relevant stakeholders as may be appropriate.

3. The Recipient shall ensure that the Participating Countries, by no later than twenty-four (24) months after Effective Date, establish and thereafter maintain the appropriate appointment of representatives to their respective National Ocean Governance Committees to support and provide guidance in the preparation and implementation of the coastal and marine spatial plans at the national level, jointly with the Recipient.

B. Project Operational Manual

1. The Recipient shall carry out the Project in accordance with the arrangements, procedures and guidelines set out in the Project Operational Manual (provided, however, that in case of any conflict between the arrangements and procedures set out in the Project Operational Manual and the provisions of this Agreement, the provisions of this Agreement shall prevail) and, except as the World Bank shall otherwise agree in writing, the Recipient shall not amend, abrogate or waive any provision of the Project Operational Manual, if such amendment, abrogation or waiver may, in the opinion of the World Bank, materially or adversely affect the implementation of the Project.
2. Without limitation upon the provisions of Section I.B.1 immediately above, the Project Operational Manual sets forth detailed arrangements and procedures for the implementation of the Project, including, inter alia: (a) the institutional coordination and day-to-day execution of the respective Project activities; (b) the disbursement and financial management procedures, administrative arrangements, internal control procedures, and flow of funds procedures to support the respective Project activities; (c) the final format of the financial statements, chart of accounts and the interim unaudited financial reports for the Project; (d) the procurement procedures and the standard bidding documents to be used for each procurement method as well as the model contracts for the procurement of goods, works, non-consulting services and consulting services; (e) the annual work plan for the Project for each year during Project implementation going from July 1 to June 30; (f) the procedures for carrying out monitoring, evaluation and reporting of the Project; (g) the Project monitoring indicators; and (h) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the respective Parts of the Project.

C. Anti-Corruption

The Recipient shall ensure that the Project is carried out in accordance with the provisions of 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 (“Anti-Corruption Guidelines”).

D. Environment and Social Safeguards

The Recipient shall ensure that the terms of reference for any consultancy in respect of any activity under the Project shall be satisfactory to the World Bank following its review thereof and, to that end, such terms of reference shall duly incorporate the requirements of the World Bank’s Safeguard Policies then in force, as applied to the advice conveyed through such technical assistance.
Section II.  Project Monitoring, Reporting and Evaluation

A.  Project Reports; Completion Report

1.  Recipient shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 2.06 of the Standard Conditions and on the basis of indicators acceptable to the World Bank. Each Project Report shall cover the period of one calendar semester of the Recipient's financial year, and shall be furnished to the World Bank not later than 45 days after the end of the period covered by such report.

2.  The Recipient shall prepare the Completion Report in accordance with the provisions of Section 2.06 of the Standard Conditions. The Completion Report shall be furnished to the World Bank not later than six months after the Closing Date. In order to assist the Recipient in preparing the Completion Report, the Recipient shall employ consultants whose qualifications, experience and terms of reference are acceptable to the World Bank.

B.  Financial Management; Financial Reports; Audits

1.  The Recipient shall ensure that a financial management system is maintained in accordance with the provisions of Section 2.07 of the Standard Conditions.

2.  The Recipient shall ensure that interim unaudited financial reports for the Project are prepared and furnished to the World Bank not later than forty-five (45) days after the end of each six-month period (January through June and July through December) of the Recipient's fiscal year, covering the relevant six-month period, in form and substance satisfactory to the World Bank.

3.  The Recipient shall have its Financial Statements for 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 fiscal year of the Recipient, covering all World Bank-financed projects implemented by the Recipient. The audited Financial Statements for each such period shall be furnished to the World Bank not later than six months after the end of such period.

Section III.  Procurement

All goods, non-consulting services, and consulting services required for the Project and to be financed out of the proceeds of the Grant shall be procured in accordance with the requirements set forth or referred to in the “World Bank Procurement Regulations for Borrowers under Investment Project Financing” dated July 1, 2016 (“Procurement Regulations”), and the provisions of the Recipient’s procurement plan for the Project (“Procurement Plan”) dated July 12, 2017 provided for under
Section IV of the Procurement Regulations, as the same may be updated from time to time in agreement with the World Bank.

Section IV. Withdrawal of Grant Proceeds

A. General

1. The Recipient may withdraw the proceeds of the Grant in accordance with the provisions of: (a) Article III of the Standard Conditions; (b) this Section; and (c) such additional instructions as the World Bank may specify by notice to the Recipient (including the “Disbursement Guidelines for Investment Project Financing” dated February 2017, 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 Grant (“Category”), the allocations of the amounts of the Grant to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Grant Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, consulting services, non-consulting services, and Training under the Project</td>
<td>5,900,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Operating Costs under the Project</td>
<td>400,000</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>6,300,000</td>
<td></td>
</tr>
</tbody>
</table>

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section 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 $60,000 may be made for payments made prior to this date but on or after July 1, 2017, for Eligible Expenditures.

2. The Closing Date referred to in Section 3.06 (c) of the Standard Conditions is December 31, 2021.
APPENDIX

Definitions


2. “Blue Economy” means a sustainable ocean economy, where economic activity is in balance with the long-term capacity of ocean ecosystems to support this activity and remain resilient and healthy.

3. “Coastal Master Plan of Grenada” means the coastal master plan established for Grenada in 2016 with the support of the Kingdom of the Netherlands, the World Bank, and other partners, as published and available to the public on the following website:

4. “Eastern Caribbean Regional Ocean Policy” means the policy of the same name endorsed in June 2013 by the OECS Member States that sets forth a framework to guide inter-sectoral planning and development of ocean activities in the Eastern Caribbean among the OECS Member States.

5. IW:LEARN means the GEF International Waters Learning Exchange and Resource Network, an initiative to promote experience sharing and learning among GEF international waters projects, country officials, implementing agencies and other partners, as further detailed in the website: http://iwlearn.net/.

6. “GEF Trust Fund” means the trust fund established under the Global Environment Facility.

7. “National Ocean Governance Committees” means the national ocean governance committees of the Participating Countries that consist of representatives from, inter alia, governmental sector ministries and agencies, and non-governmental organizations with functions concerning the health and wealth of the ocean, of the respective Participating Country.

8. “OECS” or “Recipient” means the Organisation of Eastern Caribbean States, an international organization duly established as a legal entity under the Treaty establishing the Organisation of Eastern Caribbean States (Treaty of Basseterre, 1981) signed on June 18, 1981, as revised by the Revised Treaty of Basseterre, signed on June 18, 2010.

10. "Operating Costs" means necessary and reasonable incremental expenses directly incurred by the Recipient in Project implementation, management and monitoring, including office supplies, office rental, publication of procurement notices, vehicle rental, office and equipment maintenance and repair, communication, travel and supervision costs, subscription to publications and databases, publication fees, ownership of intellectual property rights, salaries of OECS Commission staff who, as approved by the World Bank, directly work on the Project, and other miscellaneous expenses, all within a budget and work plan satisfactory to the World Bank.

11. "Participating Country" means separately each country referred to in Section 3.01 of this Agreement and participating in the Project, and the term, "Participating Countries" means collectively, all such countries.

12. "Procurement Plan" means the Project Implementing Entity’s procurement plan for the Project, dated July 12, 2017, and provided for under Section IV of the Procurement Regulations, as the same may be updated from time to time in agreement with the World Bank.


14. "Project Implementation Unit" or "PIU" means the Recipient’s Project implementation unit referred to in Section I.A.1 of Schedule 2 to this Agreement, or any legal successor or successors thereto, with the prior written approval of the World Bank.

15. "Project Operational Manual" or "POM" means the Recipient’s manual, acceptable to the World Bank and referred to in Section I.B.1 of Schedule 2 to this Agreement, as the said manual may be amended from time to time, with the prior written approval of the World Bank, and such term includes any schedules to the POM.

16. "Project Steering Committee" means the Project Steering Committee referred to in Section I.A.3 of Schedule 2 to this Agreement, or any legal successor or successors thereto, with a composition and terms of reference acceptable to the World Bank.

18. "Training" means reasonable expenditures (excluding costs of consulting services) incurred for Project-related study tours, training courses, seminars, workshops and other training activities, including costs associated with securing the services of trainers (other than their remuneration), preparation and reproduction of training materials, space and equipment rental, travel, accommodation and *per diem* costs of trainees and trainers, and other training related miscellaneous costs, all based on an annual budget agreed with the World Bank.
