Dr. The Honourable Ralph E. Gonsalves  
Prime Minister and Minister of Finance  
Office of the Prime Minister  
Administrative Center  
Bay Street  
Kingstown  
Saint Vincent and the Grenadines

Re: Saint Vincent and the Grenadines: Regional Disaster Vulnerability Reduction Project—Amendments to IDA 4986-VC, SCF-PPCR Loan Number TF011132 (formerly TF010207), SCF-PPCR Grant Number TF010206, IDA 5450-VC, SCF-PPCR Grant Number TF016733 – Amendment Letter

Dear Prime Minister:

We refer to the legal agreements for the Regional Disaster Vulnerability Reduction Project listed below that were entered into between Saint Vincent and the Grenadines ("Recipient") and either the International Development Association ("Association") (in the case of the Financing Agreements), or the International Bank for Reconstruction and Development ("Bank") (in the case of the Loan and Grant Agreements) (collectively, "World Bank"):

(a) Financing Agreement, IDA Credit Number 4986-VC, dated September 9, 2011;  
(b) Loan Agreement, Strategic Climate Fund ("SCF") through the Pilot Program for Climate Resilience ("PPCR") Loan Number TF011132 (formerly TF010207), dated September 9, 2011;  
(c) Grant Agreement, SCF-PPCR Grant Number TF010206, dated September 9, 2011;  
(d) Financing Agreement, IDA Credit No. 5450-VC, dated August 14, 2014; and  
(e) Grant Agreement, SCF-PPCR Grant Number TF016733, dated August 14, 2014.

We also refer to the Grant Agreement entered into between the Recipient and the Association for the purpose of providing additional financing for activities related to the objectives of the Original Project (as defined in Section I of the Appendix to the EDF Grant Agreement) ("EDF Grant Agreement"). In line with the changes introduced to the Project through the EDF Grant Agreement, the legal agreements listed in the first paragraph above are hereby amended as follows:

1. Schedule 1, Project Description – to the Financing Agreement (IDA Credit No. 4986-VC), the Loan Agreement (SCF-PPCR Loan Number TF011132), the Grant Agreement (SCF-PPCR Grant Number TF010206), the Financing Agreement (IDA Credit No. 5450-VC), and the Grant Agreement (SCF-PPCR Grant Number TF016733) – is replaced in its entirety with the Project Description provided in the Annex of this Amendment Letter (except in the case of the Loan Agreement (SCF-PPCR Loan Number TF011132), the reference to "Recipient" shall read as "Borrower", and the reference to "Association" shall read as "World Bank").
2. Schedule 2, Section I.A.2 – to the Financing Agreement (IDA Credit No. 4986-VC), the Loan Agreement (SCF-PPCR Loan Number TF011132), the Grant Agreement (SCF-PPCR Grant Number TF010206), the Financing Agreement (IDA Credit No. 5450-VC), and the Grant Agreement (SCF-PPCR Grant TF016733) – is replaced in its entirety as set forth below (except in the case of the Loan Agreement (SCF-PPCR Loan Number TF011132), the reference to “Recipient” shall read as “Borrower”, and the reference to “Association” shall read as “World Bank”):


(a) The Recipient shall maintain, at all times during the implementation of the Project, the PSIPMU within the MoEP, with functions, staffing and resources satisfactory to the Association.

(b) Without limitation to the provisions of Section I.A.1 of this Schedule, the PSIPMU shall be responsible for day-to-day administration of overall planning, coordination, the technical and fiduciary aspects (i.e., procurement and financial management), environmental and social safeguards compliance, coordination, monitoring, evaluation, reporting and communication of the activities under the Project, all in accordance with the provisions of this Agreement and the Project Operational Manual.”

3. The Appendix – to the Financing Agreement (IDA Credit No. 4986-VC), the Loan Agreement (SCF-PPCR Loan Number TF011132), the Grant Agreement (SCF-PPCR Grant Number TF010206), the Financing Agreement (IDA Credit No. 5450-VC), and the Grant Agreement (SCF-PPCR Grant TF016733) – is hereby amended as set forth below (except in the case of the Loan Agreement (SCF-PPCR Loan Number TF011132), the reference to “Recipient” shall read as “Borrower”, and the reference to “Association” shall read as “World Bank”), and, as relevant, the remaining sections of the Appendix are renumbered accordingly:

(a) The terms and related definition for “Central Planning Division” and “CPD” are deleted.

(b) The definition for the term “Displaced Person” is replaced in its entirety with a definition to read as follows:

"'Displaced Person' means a person who, on account of the execution of the Project, has experienced or would experience direct economic and social impacts caused by: (i) the involuntary taking of land, resulting in: (A) relocation or loss of shelter; (B) loss of assets or access to assets; or (C) loss of income sources or means of livelihood, whether or not such person must move to another location; or (ii) the involuntary restriction to access to legally designated parks and protected areas, resulting in adverse impacts on the livelihood of such person, and "Displaced Persons" means, collectively, the plural thereof."

(c) The definition for the terms “Environmental Management Framework” and “EMF” is replaced in its entirety to read as follows:
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"Environmental Management Framework’ or ‘EMF’ means the Recipient’s framework, acceptable to the Association, dated December 2010 (disclosed in-country on February 9, 2011, and through the Association’s external website on February 25, 2011), and updated in March 2016 (disclosed in-country on March 18, 2016, and through the Association’s external website on March 24, 2016), said EMF setting forth the modalities for environmental screening and procedures/actions for the preparation and implementation of environmental assessments and management plans under the Project, and such term includes all schedules and annexes to the Environmental Management Framework.”

(d) The definition for the terms “Resettlement Policy Framework” and “RPF” is replaced in its entirety to read as follows:

"‘Resettlement Policy Framework’ or ‘RPF’ means the Recipient’s framework dated April 2011 (disclosed in-country and through the Association’s external website on April 28, 2011), and updated in March 2016 (disclosed in-country on March 3, 2016, and through the Association’s external website on March 4, 2016), setting forth the modalities for resettlement and compensation of Displaced Persons, including guidelines for the preparation of the resettlement plans, all under the Project, as the same may be amended from time to time with the agreement of the Association.”

(e) The definition for the term “Procurement Plan” is replaced in its entirety to read as follows:

"‘Procurement Plan’ means the Recipient’s procurement plan for the Project, which comprise the procurement plan dated September 9, 2016 (covering procurement financed by the Original Financing Agreement, Original SCF-PCCR Loan Agreement, and Original SCF-PCCR Grant Agreement), and the procurement plan dated October 26, 2016 (covering procurement financed by this EDF Grant Agreement), and referred to in paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.”

(f) The definition for the term “Project Operational Manual” is replaced in its entirety to read as follows:

"‘Project Operational Manual’ means the Recipient’s manual originally dated November 2011, updated July 2013 and March 16, 2016, and referred to in Section I.B.1 of Schedule 2 to this Agreement.”

(g) The terms “Ministry of Economic Planning, Sustainable Development, Industry, Information, and Labour” and “MoEP” and the definition, as set forth below, are added:

(h) The terms “Public Sector Investment Programme Management Unit” and “PSIPMU” and the definition are hereby, as relevant, added or amended as set forth below:

"‘Public Sector Investment Programme Management Unit’ or ‘PSIPMU’ means the Project unit within the MoEP, and referred to in Section I.A.2 of Schedule 2 to this Agreement or any successor thereto.”

(i) The term “Bank Safeguard Policies” is replaced in its entirety to read as follows:

"‘World Bank Safeguard Policies’ means the Bank/Association’s operational policies and procedures set forth in the Bank’s Operational manual under OP/BPs 4.01, 4.04, 4.09, 4.10, 4.11, 4.12, 4.36, 4.37, 7.50 and 7.60 as said manual is published under www.WorldBank.org/opmanual.”

Except as stated herein, all the terms and conditions of the Financing, Loan and Grant Agreements listed in the first paragraph above shall remain unchanged and in full force and effect.

Please confirm your agreement with the foregoing Amendments by signing and dating this Amendment Letter in the spaces provided below. This Amendment Letter will be executed in two counterparts, each of which shall be an original and one of which shall be returned to us. Upon receipt by the World Bank of the countersigned copy of this Amendment Letter, the Amendments shall become effective as of the date of countersignature.

Sincerely,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT / INTERNATIONAL DEVELOPMENT ASSOCIATION

By: [Signature]
Tahseen Sayed
Country Director
Caribbean Country Management Unit
Latin America and the Caribbean Region

AGREED AND CONFIRMED:

SAINT VINCENT AND THE GRENADINES

By: [Signature]
Authorized Representative

Name: H.E. Lou-Ann Gilchrist
Title: Ambassador
Date: May 16th, 2017
cc: Mr. Alister Smith, Executive Director, The World Bank Group
    Ms. Janet Victoria Harris, Alternate Executive Director, The World Bank Group
    Mr. Richard MacLeish, RDVRP Project Coordinator, Central Planning Division
    Ms. Laura Anthony Browne, Director of Planning, Ministry of Economic Planning,
    Sustainable Development, Industry, Information, and Labour
ANNEX

Project Description

The objective of the Project is to measurably reduce vulnerability to natural hazards and climate change impacts in the Recipient’s territory and in the Eastern Caribbean Sub-region.

The Project consists of the following parts:

Part A: Prevention and Adaptation Investments

1. Carrying out of selected infrastructure investments and related supporting studies, including: (a) retrofitting and rehabilitation of selected public buildings and emergency shelters and construction of selected satellite warehouses; (b) rehabilitation of selected transportation infrastructure; and (c) carrying out feasibility studies, design and pre-construction activities for a new public hospital, all through the provision of works, technical advisory services, operating costs and acquisition of goods.

2. (a) Carrying out the rehabilitation of selected bridges, slope stabilization, and related supporting studies; (b) improvement of selected roads and coastal defense infrastructure; and (c) carrying out an analysis and evaluation of defense mechanism performance on expected hazards, all through the provision of works, technical advisory services, operating costs and acquisition of goods.

3. Carrying out of selected infrastructure investments to support early recovery of the Recipient’s key economic sectors from an event of Emergency, including: (a) river training and rehabilitation of damaged bridges; (b) retrofitting and rehabilitation of selected damaged public buildings, developing detailed designs for a new public hospital, and construction of additional satellite warehouses; (c) rehabilitation and risk reduction of selected transportation infrastructure, including slope stabilization and road realignments; and (d) preparation of preliminary designs of potential priority adaptation investment sub-projects, all through the provision of works, technical advisory services, operating costs and acquisition of goods.

4. Carrying out of selected infrastructure investments, including: (a) realignment and upgrading of the Ginger Village Road; (b) reconstruction of a bridge and roads in Congo valley; (c) rehabilitation of Longline Bridge and road; (d) reconstruction of feeder roads; (e) reconstruction of the Chateau Belair jetty; and (f) general project management; all through the provision of works, technical advisory services, infrastructure supporting technical studies, operating costs, and acquisition of goods.

Part B: Regional Platforms for Hazard and Risk Evaluation, and Applications for Improved Decision Making

1. Building of regional capacity for assessment of natural risks and integration of such assessment into policy and decision making process for the development of investments, disaster risk mitigation and disaster response across sectors, through the provision of technical advisory services, training and acquisition of goods.

2. Facilitation of regional collaboration around integrated watershed management, through the provision of technical advisory services, training and acquisition of goods.
3. Facilitation of regional collaboration, including knowledge sharing and learning process to develop coastal defenses, including the construction of coastal protection, designation and delineation of drainage channels and buffer zones, testing and monitoring the enforcement of the Recipient’s new building code, conservation of the ecosystem, reduction of downstream impacts and the assessment of climate change impacts on coastal and marine ecosystems and commercial fisheries.

4. Carrying out of a geological assessment of Union Island inclusive of soil testing, groundwater assessment and monitoring, including: (a) testing the application of Union Island’s integrated coastal zone management plan and the community awareness strategy; (b) implementing numerical and physical modeling techniques for Union Island on climate change adaptation; (c) implementing forestry management activities and other soil and water conservation measures; and (d) designing and delineating drainage channels and buffer zones on Union Island, all through the provision of works, technical advisory services, training and acquisition of goods.

5. Carrying out of the Emergency recovery and construction of: (a) South River Bridge; (b) Green Hill Bridge; (c) Dauphine Bridge; (d) Fenton River Fords and flood mitigation measures for Arnos Vale/Warrawarrow River watershed pilot area; and (e) river defense at Buccament and Carriere, all through the provision of works, technical advisory services, training and acquisition of goods.

Part C: Natural Disaster Response Investments

Carrying out of Emergency Recovery and Reconstruction Subprojects under an agreed action plan of activities (“Agreed Action Plan of Activities”) designed as a mechanism to implement the Recipient’s rapid response to an Emergency.

Part D: Project Management and Implementation Support

1. Strengthening and development of the institutional capacity for Project management, including: (a) preparation of designs and tender documents; (b) preparation of Project reports; (c) processing of contracts and tender evaluation; (d) coordination of participating line ministries; (e) supervision of the quality of works; (f) training of staff in Project management, implementation support, and monitoring and evaluation; (g) capacity-building for accreditation to the United Nations Framework Convention on Climate Change (“UNFCCC”) Climate Adaptation Fund; and (h) carrying out of related activities on Project management and implementation including EDF Trust Fund donor visibility activities, all through the provision of technical advisory services, training, operating costs and acquisition of goods.

2. Strengthening of institutional capacity for Project management, and improvement of capacity for disaster risk management and climate change monitoring, including: (a) recruitment of a senior quantity surveyor, and a procurement and contract management specialist; (b) recruitment of a monitoring and evaluation specialist as may be necessary during Project implementation; and (c) provision of training to the Public Sector Investment Programme Management Unit (PSIPMU) staff, and the staff of relevant key agencies in Project management, implementation support, and coordination of disaster risk management and climate resilience activities under the Project, all through the provision of technical advisory services, training, operating costs and acquisition of goods.