H.E. Adama Koné  
Minister of Economy and Finance  
Avenue Marchand Rue Lecoeur  
Immeuble SCIAM  
BP V 163 Abidjan  
Republic of Côte d’Ivoire

Re: FCPF Readiness Fund Grant No. TF0A5414  
Second Grant Agreement for Republic of Côte d’Ivoire  
Additional REDD+ Readiness Preparation Support

Excellency:

I wish to refer to the Grant Agreement between the Republic of Côte d’Ivoire (“Recipient”), and the International Bank for Reconstruction and Development (“World Bank”), acting as Trustee of the Readiness Fund of the Forest Carbon Partnership Facility (“FCPF”), dated September 29, 2014 (“Grant Agreement”), pursuant to which the World Bank agreed to provide to the Recipient a grant in an amount not to exceed three million eight hundred thousand United States Dollars (US$3,800,000) (“Grant”) to enable the Recipient to move ahead with preparation for readiness.

The Participants Committee of the FCPF (“PC”) has reviewed the request for an additional funding submitted by the Recipient, in accordance with the process as specified in Resolution PC/12/2012/2. Accordingly, the PC, through its Resolution PC/Electronic/2016/1 decided to allocate additional grant funding to the Recipient in the amount of five million United States Dollars (US$5,000,000), to enable it to continue with its preparation for readiness, subject to the terms and conditions set out in said Resolution.

In response to the request for financial assistance made on behalf of the Recipient and the decisions of the PC referred above, I am pleased to inform you that the World Bank agrees to extend the additional grant in the amount of five million United States Dollars (US$5,000,000) (“Second Grant”) on the terms and conditions set forth or referred to in this letter agreement (“Second Grant Agreement”), which includes the attached Annex, to assist in the financing of the Additional Readiness Preparation Activities described in the Annex.

1818 H Street NW • Washington, DC 20433 USA
This Second Grant is funded out of the abovementioned FCPF trust fund for which the World Bank receives periodic contributions from the donors. In accordance with Section 3.02 of the Standard Conditions (as defined in the Annex to this Second Grant Agreement), the World 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 Second Grant proceeds is subject to the availability of such funds.

The Recipient represents, by confirming its agreement below, that it is authorized to enter into this Second Grant Agreement and to carry out the Additional Readiness Preparation Activities in accordance with the terms and conditions set forth or referred to in this Agreement.

Since the execution of the Grant Agreement, the Charter Establishing the FCPF ("Charter") has been amended, and the terms and conditions of this Second Grant Agreement are based on the Charter, as so amended. Where there are inconsistencies between the Grant Agreement and this Second Grant Agreement including in the use of terms, the provisions in this Second Grant Agreement shall prevail and deemed to have accordingly amended the provisions of the Grant Agreement to eliminate any such inconsistency.

Please confirm the Recipient’s agreement to the foregoing by having an authorized official of the Recipient sign and date the enclosed copy of this Second Grant Agreement, and returning it to the World Bank. Upon receipt by the World Bank of this countersigned copy, this Second Grant Agreement shall become effective as of the date of the countersignature.

Very truly yours,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
Acting as Trustee of the Readiness Fund of the Forest Carbon Partnership Facility

By
Pierre Lepote
Country Director for the Republic of Côte d’Ivoire
Africa Region

AGREED:

REPUBLIC OF CÔTE D’IVOIRE

By:

Adama KONE

Authorized Representative

Name:
Ministre de l’Economie et des Finances
Title:
-2-
Enclosures:


(2) Disbursement Letter of the same date as this Agreement, together with World Bank World Bank Disbursement Guidelines for Investment Project Financing, dated February 2017.

(3) Charter Establishing the Forest Carbon Partnership Facility as revised on November 23, 2015.

(4) Guidelines on Preventing and Combating Fraud and Corruption in Project Financed by IBRD Loans and IDA Credits and Grants, dated October 15, 2006 and revised in January 2011.


Article I
Standard Conditions; Definitions

1.01. **Standard Conditions.** The Standard Conditions for Grants Made by the World Bank out of Various Funds dated February 15, 2012 ("Standard Conditions"), with the modifications set forth below, constitute an integral part of this Agreement:

(a) The following term and definition shall be added to the Appendix to the Standard Conditions as paragraph 18bis to read as follows:

18bis “Additional Readiness Preparation Activities” means the activities, described in the Agreement, for which the Second Grant is made, as the description of said activities may be amended from time to time by agreement between the Recipient and the World Bank.”

(b) The term “Project” and its definition shall be deleted in their entirety from the Standard Conditions; and all references throughout the Standard Conditions to the term “Project” shall be deemed to refer to the “Additional Readiness Preparation Activities”.

1.02. **Definitions.** Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the Standard Conditions, the Charter or in this Second Grant Agreement:

(a) “Environmental and Social Management Framework” or “ESMF” means the environmental and social management framework acceptable to the World Bank, which establishes the modalities and procedures to address potential negative environmental and social impacts from the implementation of REDD+ investments and demonstration activities as well as associated mitigation measures through employing best practices; and includes the screening criteria, procedures and institutional responsibilities for the safeguard policies that are triggered for subsequent REDD+ investments.

(b) “REDD+” means reducing emissions from deforestation and forest degradation, conservation of forest carbon stocks, sustainable management of forest, and enhancement of forest carbon stocks.

(c) “SESA” means the strategic environment and social assessment to be conducted as part of the Readiness process to assess the potential impact from national REDD+ programs and policies, formulate alternatives and mitigation strategies and enhance the decision-making process around the design of the national REDD+ framework.
Article II
Execution of Readiness Preparation Activities

2.01. Objectives and Description. The objective of the Second Grant is to reinforce the Recipient’s capacity to design a socially and environmentally sound national strategy to reduce emissions from deforestation and forest degradation. The Additional Readiness Preparation Activities consist of the following parts:

Component 1. Support to the national readiness management arrangements

(a) Support the operationalization of national readiness management arrangements that will lead the continued coordination and implementation of the REDD+ Readiness process, including the National REDD+ Committee, the REDD+ Interministerial Technical Committee, and the Permanent Executive Secretariat which are not yet institutionalized, by providing them with the adequate human, technical and operational resources.

(b) Support the civil society platform to enhance REDD+ participation and consultation and engage relevant stakeholders in the national REDD+ Readiness process, by finalizing and implementing a communication plan

Component 2. Support to the preparation of a national REDD+ strategy

(a) Provide continued support on analytical work to prepare a national REDD+ strategy.

(b) Provide continued support by organizing interministerial workshops and setting up arrangements to help ensure that the relevant ministries are involved in the national REDD+ strategy development process.

(c) Assess the relevant existing feedback and grievance redress mechanisms and arrangements (FGRMs), and either strengthen the existing FGRMs or, as necessary and appropriate, establish a new FGRM, to address any relevant feedbacks and grievances during the REDD+ readiness process.

(d) Development of the benefits-sharing mechanisms and capacity building of local actors for the implementation of the benefits-sharing mechanisms.

(e) Coordination and further consultation for Strategic Environmental and Social Assessment (SESA), and finalization and operationalization of an Environmental and Social Management Framework (ESMF).

Component 3. Support the reference level and monitoring systems for forests and safeguards

(a) Update the reference level and measuring, reporting and verification (MRV) system through data collection, studies and capacity building as appropriate.

(b) Support the completion of a Safeguard Information System (SIS), including training of teams responsible for SIS management.

2.02. Execution Generally. The Recipient declares its commitment to the objectives of the Additional Readiness Preparation Activities. To this end, the Recipient shall carry out the Additional
Readiness Preparation Activities through the Ministry of Environment, Urban Sanitation and Sustainable Development in accordance with the provisions of: (a) Article II of the Standard Conditions; (b) 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 (“Anti-Corruption Guidelines”); and (c) this Article II.

2.03. Institutional and Other Arrangements. Without limitation upon the provision of paragraph 2.02 above, the Recipient shall maintain: (a) staff and resources adequate number, with qualifications and experience acceptable to the World Bank, including: (i) an accountant and (ii) a procurement officer to be responsible for the fiduciary aspect of the Additional Readiness Preparation Activities including financial management and procurement; (b) an accounting software, acceptable to the World Bank; and (c) a financial management manual acceptable to the World Bank detailing the work program, the budget and the other sources of financing no later than three (3) months after the Second Grant Agreement has become effective.

2.04. Safeguards. The Recipient shall ensure that: (a) all (i) terms of reference for any technical assistance or studies carried out under the Additional Readiness Preparation Activities; and (ii) frameworks prepared on the basis of the SESA under the Additional Readiness Preparation Activities pursuant to component 2 of Section 2.01 of this Second Grant Agreement are consistent with, and pay due attention to, the World Bank’s environmental and social safeguards policies, as well as the Recipient’s own laws relating to the environment and social aspects; and (b) in drafting any laws or regulations under the Additional Readiness Preparation Activities, due attention will be given to said policies and laws.

2.05. Completion Report. The Recipient shall prepare and furnish to the World Bank not later than six months after the Closing Date, a Completion Report in accordance with the provision of Section 2.06(b) (ii) of the Standard Conditions.

2.06. Donor Visibility and Visit. (a) The Recipient shall take or cause to be taken all such measures as the World Bank may reasonably request to identify publicly the Donors’ support for this Additional Readiness Preparation Activities.

(b) For the purposes of Section 2.09 of the Standard Conditions, the Recipient shall, upon the World Bank’s request, enable the representatives of the to visit any part of the Recipient’s territory for purposes related to this Additional Readiness Preparation Activities.

2.07. Documents; Records.

In addition and without limitation to the obligations set forth in Section 2.05 of the Standard Conditions, the Recipient shall ensure that:

(a) all records evidencing expenditures under the Project are retained for seven years and six months after the Closing Date, such records to include: (i) this Agreement, all addenda thereof, and any amendments thereto; (ii) the Recipient’s financial and narrative progress reports submitted to the World Bank; (iii) the Recipient’s financial information related to the Grant, including audit reports, invoices and payroll records; (iv) the Recipient’s implementation documentation (including sub-agreements, procurement files, contracts, purchase orders); and (v) the corresponding supporting evidence referred to in Section 3.04 of the Standard Conditions; and
the representatives of the World Bank are: (i) able to examine all records referred to above in paragraph (a); (ii) provided all such information concerning such records as they may from time to time reasonably request; and (iii) able to disclose such records and information to the Donor.

2.08. Financial Management

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

(b) The Recipient shall ensure that interim unaudited financial reports for the Additional Readiness Preparation Activities are prepared and furnished to the World Bank not later than forty-five (45) days after the end of the Recipient’s fiscal quarter, covering the quarter, in form and substance satisfactory to the World Bank.

(c) The Recipient shall have its Financial Statements 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. 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.

2.09. Procurement.

(a) All goods, works, non-consulting services, and/or consulting services required for the Readiness Preparation Activities and to be financed, fully or partially, out of the proceeds of the Second Grant shall be procured in accordance with the requirements set forth or referred to in the “Guidelines: Procurement of Goods, Works and Non-consulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011, revised July 2014 (“Procurement Guidelines”), and the “Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers”, dated January 2011, revised July 2014 (“Consultant Guidelines”).

(b) Any contract for Eligible Expenditures to be financed in full or in part out of the proceeds of the Second Grant shall be included in the procurement plan prepared by the Recipient and approved by the Bank in accordance with the Procurement Guidelines and the Consultant Guidelines, prior to initiating the procurement process for any such contract.

Article III
Withdrawal of Grant Proceeds

3.01. Eligible Expenditures. The Recipient may withdraw the proceeds of the Second Grant in accordance with the provisions of: (a) the Standard Conditions; (b) this Section; and (c) such additional instructions as the World Bank may specify by notice to the Recipient (including the “World Bank 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 100% of Eligible Expenditures consisting of goods, non-consulting services, consultants’ services, Training and Workshops, and Operations Costs inclusive of Taxes.

For the purpose of Section 3.01, (i) the term “Workshops and Training” means the reasonable costs, as shall have been approved by the World Bank, for training and workshops conducted under the Readiness Preparation Activities, including tuition, travel and subsistence costs for training and workshop participants, costs associated with securing the services of trainers and workshop speakers, rental of training and workshop facilities, preparation and reproduction of training and workshop materials, and other costs directly related to training courses and workshop preparation and implementation (but excluding goods and consultant’s services); and (ii) the term “Operating Costs” means the reasonable costs, as shall have been approved by the World Bank, for the incremental expenses incurred on account of the implementation of the Additional Readiness Preparation Activities consisting of vehicle operation and maintenance communication, and insurance costs, banking charges, rental expenses, office (and office equipment) maintenance, utilities, document duplication/printing, consumables, travel cost and per diem for Additional Readiness Preparation Activities staff for travel linked to the implementation of the Additional Readiness Preparation Activities, and salaries of contractual staff for the Additional Readiness Preparation Activities (but excluding consultants’ services and salaries of officials of the Recipient’s civil service).

3.02. **Withdrawal Conditions.** Notwithstanding the provisions of Section 3.01 of this Agreement, no withdrawal shall be made for payments made prior to the date of this Agreement.

3.03. **Withdrawal Period.** The Closing Date referred to in Section 3.06 (c) of the Standard Conditions is September 30, 2019.

**Article IV**

**Recipient’s Representative; Addresses**

4.01. **Recipient’s Representative.** The Recipient’s Representative referred to in Section 7.02 of the Standard Conditions is its minister responsible for finance.

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

- Ministry of Economy and Finance
- Avenue Marchand Rue Lecoeure
- Immeuble Sciam
- BP V 163
- Abidjan, Côte d’Ivoire

Facsimile: 225 20 30 25 28

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

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

Cable: 
Telex: 
Facsimile:

INTBAFRAD
INDEVAS  248423 (MCI) or 1-202-477-6391
Washington, D.C.  64145 (MCI)