Program Agreement

(Development Policy Loan to Promote Inclusive Green Growth and Sustainable Development in Himachal Pradesh)

between

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

acting as an implementing entity of the Clean Technology Fund

and

STATE OF HIMACHAL PRADESH

Dated June 11, 2014
CTF LOAN NUMBER TF016957-IN

PROGRAM AGREEMENT

Agreement dated October 11, 2014, entered into between INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT, acting as an implementing entity of the Clean Technology Fund (“World Bank”), and the STATE OF HIMACHAL PRADESH (variously “Himachal Pradesh” or the “Program Implementing Entity”) in connection with the Clean Technology Fund Loan Agreement (“CTF Loan Agreement”) of same date between INDIA (“Borrower”) and the World Bank (“Program Agreement”). The World Bank and the Program Implementing Entity hereby agree as follows:

ARTICLE I — STANDARD CONDITIONS; DEFINITIONS

1.01. The Standard Conditions (as defined in the Appendix to the CTF Loan Agreement) 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 CTF Loan Agreement or the Standard Conditions.

ARTICLE II — PROGRAM

2.01. Himachal Pradesh declares its commitment to the Program. To this end, and further to Section 2.06 of the Standard Conditions:

(a) Himachal Pradesh, the Borrower and the World Bank shall, from time to time, at the request of either party to this Agreement or the CTF Loan Agreement, exchange views on Himachal Pradesh’s macroeconomic policy framework and the progress achieved in carrying out the Program;

(b) prior to each such exchange of views, Himachal Pradesh shall furnish to the Borrower and the World Bank for its review and comment, a report on the progress achieved in carrying out the Program, in such detail as the World Bank shall reasonably request; and

(c) without limitation upon the provisions of paragraphs (a) and (b) of this Section, Himachal Pradesh shall promptly inform the Borrower and the World Bank of any situation that would have the effect of materially reversing the objectives of the Program or any action taken under the Program including any action specified in the Schedule to this Agreement.
ARTICLE III — REPRESENTATIVE; ADDRESSES

3.01. The Program Implementing Entity's Representative is the Chief Secretary to the Government of Himachal Pradesh, or any other person or persons as he or she shall designate in writing.

3.02. The World Bank's Address is:

International Bank for Reconstruction and Development
1818 H Street, NW
Washington, DC 20433
United States of America

Facsimile:
1-202-477-6391

3.03. Himachal Pradesh's Address is:

H.P. Government Secretariat
"Ellerslie", Shimla 171002
Himachal Pradesh

Facsimile:
+91-17772621022
AGREED at New Delhi, India, as of the day and year first above written.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
acting as an implementing entity of the Clean Technology Fund

By   

Authorized Representative

Name: ____________________________

Title: ____________________________

STATE OF HIMACHAL PRADESH

By   

Authorized Representative

Name: SHREKANT OALRE

Title: Deputy Secy (Fin) Hl
SCHEDULE

Actions Taken Under the Program

The actions taken by Himachal Pradesh under the Program include the following:

1. GoHP has designed, adopted and implemented a web-based real-time monitoring system for project milestones, including those relating to environment and social parameters and environmental flows.

2. GoHP has: (i) carried out an interim review of the on-going cumulative environmental impact assessment study of the Sutlej river basin; and (ii) developed a concurrent action plan.

3. GoHP has adopted and implemented a benefit sharing scheme to complement the Local Area Development Fund, by initiating the payment of Cash Transfers to Eligible Beneficiaries.

4. GoHP has prepared and publicly disclosed Himachal Pradesh’s comprehensive Action Plan on Climate Change.

5. GoHP has: (i) carried out a state-wide ecosystems evaluation analysis; and (ii) issued notification of a state policy on payments for ecosystem services.

6. GoHP has: (i) begun the implementation of the IWMP Guidelines, by preparing through a multi-disciplinary team, and adopting integrated Micro-Watershed Development Plans (one per Block); which plans are publicly monitored and disclosed in AGiSAC’s website; and (ii) prepared and commenced the implementation of a capacity building plan for stakeholders departments.

7. GoHP has amended the HP Water Policy-2005 through the notification of the new HP Water Policy-2013 for the sustainable management of HP water resources.

8. GoHP has designed and issued notification on economic instruments for incentivizing the adoption of cleaner technologies, including disincentives to industries identified in the Negative List (which largely consists of polluting industries).

9. GoHP has amended the Tourism Policy-2005 through the adoption of the Sustainable Tourism Development Policy-2013 in order to ensure the environmental sustainability of the activities in the sector, including the use of economic instruments to internalize environmental externalities of tourism.
10. GoHP has commenced the implementation of sustainable tourism practices in Himachal Pradesh.

11. GoHP has issued an Order operationalizing AGiSAC’s protocols for monitoring and evaluation of activities in the infrastructure and natural resources management sectors, including the integration of geo-informatics technology.