Global Environment Facility
Grant Agreement

(Third South West Indian Ocean Fisheries Governance and Shared Growth Project)

between

REPUBLIC OF SEYCHELLES

and

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

Dated October 15, 2017
AGREEMENT dated October 15, 2017, entered into between THE REPUBLIC OF SEYCHELLES ("Recipient"); and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT ("World Bank" or "Bank"), acting as an implementing agency of the Global Environment Facility ("GEF").

WHEREAS: (A) the International Development Association ("Association"), by extending financial assistance (1) in 2015 to the Republic of Mozambique, the Union of Comoros, the United Republic of Tanzania and the Indian Ocean Commission ("IOC") and (2) in 2017 to the Republic of Madagascar and the IOC, has provided support to activities of the preceding projects under the first and second phases, respectively of the South West Indian Ocean Fisheries Governance and Shared Growth Program ("Program") which aims to increase the economic, social, and environmental benefits to South West Indian Ocean ("SWIO") countries from sustainable marine fisheries;

(B) the Recipient, having satisfied itself as to the feasibility and priority of the project ("Project", as described in Schedule 1 hereto) under the third phase of the Program, has requested the Bank to assist in the financing of the Project;

(C) the Bank intends to make available financial assistance to the Recipient under the loan in an amount not exceeding five million Dollars ($5,000,000), to assist the Recipient in financing Parts C.1, C.2, C.3, C.4 and D of the Project on the terms and conditions set forth in the loan agreement to be entered into between the Recipient and the Bank ("Bank Loan Agreement");

(D) the Bank, acting as an Implementing Agency of the GEF, further intends to make available financial assistance to the Recipient under a GEF loan in an amount not exceeding five million Dollars ($5,000,000) ("GEF Loan"), to assist the Recipient in financing Part C.6 of the Project on the terms and conditions set forth in the GEF loan agreement to be entered into between the Recipient and the Bank, acting as Implementing Agency of the GEF ("GEF Loan Agreement", as further defined in the Appendix to this Agreement); and

(E) the Recipient intends to issue a bond supported by the GEF Loan and a Bank Guarantee, in an amount of approximately fifteen million Dollars ($15,000,000) ("SWIOFish 3 Blue Bond"), as further defined in the Appendix to this Agreement to assist the Recipient in financing part of the cost of Parts A.3, B.4 and C.5 of the Project.
NOW THEREFORE the Recipient and the Bank 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.

**Article II**

**The Project**

2.01. The Recipient declares its commitment to the objectives of the Project and the Program. To this end, the Recipient shall carry out the Project except Parts A.3, B.4 and C.5, through MFTEP, shall cause SeyCCAT to carry out Parts A.3 and B.4, and shall cause DBS to carry out Part C.5, all 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 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 five million two hundred ninety-two thousand one hundred ten Dollars ($5,292,110) (“GEF Grant”) to assist in financing the Project.

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

3.03. The GEF Grant is funded out of the abovementioned trust fund for which the World Bank receives periodic contributions from the donors to the trust fund. 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 donors under the abovementioned trust fund, and the Recipient’s right to withdraw the GEF Grant proceeds is subject to the availability of such funds.
Article IV
Effectiveness; Termination

4.01. The Additional Condition of Effectiveness consists of the following:

The Bank Loan Agreement has been executed and delivered and all conditions precedent to its effectiveness or to the right of the Recipient to make withdrawals under it (other than the effectiveness of this Agreement) have been fulfilled.

4.02. The Effectiveness Deadline is the date one hundred and twenty (120) days after the date of this Agreement.

Article V
Recipient's Representative; Addresses

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

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

Ministry of Finance, Trade and Economic Planning
Liberty House
P.O. Box 313
Mahé
Republic of Seychelles

Telephone: 248 4383120
Facsimile: 248-4325161

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 Washington D.C., United States of America, as of the day and year first above written.

REPUBLIC OF SEYCHELLES

By

[Signature]

Authorized Representative

Name: Dr. Louis Rene Peter Larose

Title: Minister of Finance, Trade and Economic Planning

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

By

[Signature] Mark R. Lundell

Authorized Representative

Name: Mark R. Lundell

Title: Country Director
SCHEDULE 1

Project Description

The objective of the Project is to improve management of marine areas and fisheries in Targeted Zones and strengthen fisheries value chains in the Recipient’s territory.

The Project constitutes the third phase of the Program, and consists of the following parts:

Part A. Expansion of the Recipient’s Sustainable-use Marine Protected Areas

1. (a) Carrying out of studies to determine the management measures for the Sustainable-use Marine Protected Areas; (b) preparation of management plans for Sustainable-use Marine Protected Areas, including outlining of detailed governance mechanisms for said Sustainable-use Marine Protected Areas; (c) preparation of regulations to enable the creation and operationalization of said Sustainable-use Marine Protected Areas; and (d) provision of technical assistance to implement the re-zoning of Sustainable-use Marine Protected Areas.

2. (a) Provision of equipment and training to strengthen relevant government institutions for enhanced and cost-effective management of the Sustainable-use Marine Protected Areas; (b) the monitoring, control, and surveillance of the natural resources and economic activities, including satellite-based imaging, patrols, operating costs, equipment, and infrastructure; (c) carrying out of awareness campaigns and capacity-building activities targeted at the main stakeholders, notably fishers, tourism operators, and training of relevant government institutions; (d) support towards the promotion of sustainable practices in the tourism and fisheries sectors; and (e) carrying out of METT-based third-party evaluation of management effectiveness for the Sustainable-use Marine Protected Areas.

3. Carrying out of a program of activities aimed at strengthening the Sustainable-use Marine Protected Areas Network, through the provision of Blue Grants to Protected Areas Network Beneficiaries to finance, inter alia, research activities on fisheries management, development and implementation of management plans, education and awareness programs, capacity building and training activities, monitoring, control and surveillance, and promotion of sustainable practices in marine tourism.

Part B. Improved governance of the Recipient’s Priority Fisheries

1. Carrying out of (a) stock assessments, socioeconomic impact assessments, preparation, and regular reviews of priority fisheries management plans;
(b) capacity building activities for the steering committees of the fisheries management plans and the fishers associations; (c) support to the liaising function at the Seychelles Fishing Authority to serve artisanal fishers; (d) monitoring, control, and surveillance activities, including installation of vessel monitoring system equipment within the Fisheries Monitoring Center and on coastal patrol boats; (e) support to the certification of the semi-industrial longline fishery; and (f) the preparation and implementation of a fleet capacity management and licensing framework.

2. Strengthening the provision of relevant and reliable information on the status of the marine environment and fisheries and their respective contribution to the Recipient's economy through, *inter alia,* (a) finalization of the fisheries information system, including fish size data capture; (b) provision of relevant training for government statisticians; (c) development of a new fisheries information management system; (d) provision of technical assistance and capacity building support to the Fisheries Economic Intelligence Unit; and (e) design and development of a satellite economic account for fisheries by the National Bureau of Statistics.

3. (a) Drafting of a fisheries sector policy note; (b) development of the fisheries sector policy and strategy and its midterm review; (c) carrying out of an assessment of the current government financial support to the fisheries sector, including sector subsidies; (d) support towards to the updating of the sector legal framework, including laws, regulations and policies; and (e) provision of capacity building and ad hoc technical assistance to the relevant public entities, including the MAF and the Seychelles Fishing Authority.

4. Carrying out of a program of activities aimed at improving governance of priority fisheries, through the provision of Blue Grants to Priority Fisheries Beneficiaries to finance, *inter alia,* research activities on fisheries management, development and implementation of management plans, education and awareness programs, capacity building and training activities, monitoring, control and surveillance, research and development for innovation in post-harvesting and marketing.

**Part C. Sustainable Development of the Recipient's Blue Economy**

1. Carrying out of a program of activities to expand the seafood value chains and promote other subsector synergies, notably through, *inter alia,* (a) identification of value chain development opportunities and provision of targeted capacity building to fishers and operators; (b) support to the relevant government institutions and the Fishers and Boat Owners Association to design, develop and operationalize the Providence Fish
Center; (c) installation of a small ice plant and bait storage on Praslin; (d) promotion of the nascent labelling scheme for sustainable artisanal fisheries, linking the fisheries and tourism value chains; and (e) enhanced inclusion of the sport and recreational fisheries in the fisheries management effort, through education and awareness programs and marketing to promote tagging and catch-and-release and the development of the related electronic logbook application.

2. Creating of an enabling environment for sustainable, local, small-scale investments in the aquaculture sector through, *inter alia*, (a) carrying out of environmental and social impact assessments for local investments in inshore and land-based aquaculture, (b) capacity-building of select relevant investors and the Seychelles Fishing Authority, and (c) development of training courses and long-term human capital development plans.

3. (a) Carrying out of a program of activities to strengthen the performance of fisheries loan schemes and their alignment with the blue economy objectives; (b) elaboration of standardized proposal assessment methodologies and related training for the Blue Investment Fund; (c) carrying out of an assessment of the maximum carrying capacity for investments in the fishing post-harvesting and service sectors; (d) provision of technical assistance to facilitate a sustainable, economically sound port development process; (e) carrying out of studies necessary to the development of different areas of the blue economy, notably, feasibility of vessel refitting, decommissioning, and buyback, policy and management for new and emerging fisheries; and (f) support towards the development of policies and standards to improve recruitment and retention of local crew and skippers.

4. Strengthening of the sanitary and phytosanitary monitoring capacity in the Recipient's territory through the setting up of an enhanced monitoring program, and provision of related training, equipment and technical assistance.

5. Provision of Blue Loans to Blue Investment Fund Beneficiaries to finance private and public investments aimed at facilitating the implementation of the Mahé Plateau fisheries management plan and the transition from open-access to better controlled fisheries, including, *inter alia*, refitting of tourism vessels, refitting fishing vessels, land-based production of high value niche products, fish processing and value addition, sector services and logistics support.

6. Support to the Recipient's capacity to reduce the financing cost of the SWIOFish 3 Blue Bond issuance through, *inter alia*, (i) capitalization of a
SWIOFish 3 Blue Bond Account to assist in the financing, directly or indirectly, of a percentage of the SWIOFish 3 Blue Bond-related coupons payments and/or purchase of a financial asset to securitize repayment of a percentage of the SWIOFish 3 Blue Bond principle; and (ii) technical assistance and Operating Costs associated with the SWIOFish 3 Blue Bond issuance.

**Part D.** Project coordination, management and monitoring, preparation of financial audits and periodic evaluations through, *inter alia*, advisory services, purchase of equipment, provision of Training, Operating Costs and monitoring and evaluation activities.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. Project Steering Committee

   (a) The Recipient shall maintain, at all times during the implementation of the Project, a Project steering committee with a mandate, composition and resources satisfactory to the Bank ("Project Steering Committee").

   (b) Without limitation upon the provisions of paragraph (a) of Section I.A.1 of this Schedule 2, the Project Steering Committee shall be chaired by a representative of MFTEP, the assistant to the Project shall serve as the secretary and it shall further be comprised of, inter alia, representatives of the Recipient’s ministries responsible for agriculture and fisheries, environment, energy and climate change, and foreign affairs; the Seychelles Fishing Authority; the Seychelles National Parks Authority; and the Seychelles Port Authority.

   (c) The Project Steering Committee shall meet at least semi-annually and shall be responsible for Project oversight, including inter alia: (i) reviewing the proposed Annual Work Plans and Budgets for the Project, (ii) providing overall Project oversight and strategic guidance, (iii) facilitating adequate coordination with relevant stakeholders and alignment with sector strategies, and (iv) identifying necessary Project adjustments based on monitoring and evaluation reports.

2. Project Implementation Unit

   (a) For purposes of the Project, except Parts A.3, B.4, C.5 and C.6, the Recipient shall maintain at all times until the completion of the Project, the Project Implementation Unit within the MFTEP with terms of reference and resources satisfactory to the Bank ("Project Implementation Unit").

   (b) Without limitation upon the provisions of paragraph (a) of Section I.A.2 of this Schedule 2, the Project Implementation Unit shall at all times:

      (i) be comprised of qualified and experienced personnel in adequate numbers, and to this end, inter alia, no later than six (6) months after the Effective Date, recruit an environmental and social
specialist and a monitoring and evaluation specialist, all with qualifications and terms of reference acceptable to the Bank; and be responsible for the day-to-day Project coordination and implementation, including: (A) preparing each proposed Annual Work Plan and Budget for the Project, updating the Procurement Plan and consolidating the Project reports for the Project Steering Committee; (B) carrying out all Project procurement activities including developing and maintaining a comprehensive procurement filing system for the Project, except Parts A.3, B.4 and C.5 of the Project; and (C) monitoring and evaluating the Project.

B. SeyCCAT Subsidiary Agreement

In order to achieve the objectives of Parts A.3 and B.4 of the Project, no later than one (1) month after the execution of the Bank Guarantee, the Recipient shall make part of the proceeds of the SWIOFish 3 Blue Bond available to SeyCCAT under a subsidiary agreement between the Recipient and SeyCCAT, under terms and conditions acceptable to the Bank, as further detailed in the Bank Guarantee (“SeyCCAT Subsidiary Agreement”).

C. DBS Subsidiary Agreement

In order to achieve the objectives of Part C.5 of the Project, no later than one (1) month after the execution of the Bank Guarantee, the Recipient shall make part of the proceeds of the SWIOFish 3 Blue Bond available to DBS under a subsidiary agreement between the Recipient and DBS, under terms and conditions acceptable to the Bank, as further detailed in the Bank Guarantee (“DBS Subsidiary Agreement”).

D. Anti-Corruption

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

E. Project Operations Manual

1. The Recipient shall prepare or cause to be prepared, in accordance with terms of reference acceptable to the Bank, a Project operations manual, containing (a) detailed arrangements and procedures for: (i) institutional coordination and day-to-day execution of the Project; (ii) Project budgeting, disbursement and financial management; (iii) procurement; (iv) monitoring, evaluation, reporting and communication; (v) environmental and safeguard management; (b) the SWIOFish 3 Blue Bond Account Manual; and (c) such other administrative,
financial, technical and organizational arrangements and procedures as shall be required for the Project.

2. The Recipient shall afford the Bank a reasonable opportunity to review and approve such manual, and shall thereafter adopt such manual as shall have been approved by the Bank ("Project Operations Manual").

3. The Recipient shall carry out the Project in accordance with the Project Operations Manual and shall, not amend, abrogate, waive, or permit to be amended, abrogated, or waived, the aforementioned, or any provision thereof, without the prior written consent of the Bank.

4. In the event of any conflict between the provisions of the Project Operations Manual and those of this Agreement, the provisions of this Agreement shall prevail.

F. Annual Work Plans and Budgets

1. Not later than December 31 in each calendar year (or one month after the Effective Date for the first year of Project implementation), the Recipient shall prepare or cause to be prepared a draft annual work plan and budget for the Project (including Training and Operating Costs) for the subsequent calendar year of Project implementation, of such scope and detail as the Bank shall have reasonably requested.

2. The Recipient shall afford the Bank a reasonable opportunity to review such draft annual work plan and budget, and thereafter shall carry out (or cause to be carried out) such annual work plan and budget during such subsequent calendar year as shall have been approved by the Bank ("Annual Work Plan and Budget"). Only those activities that are included in an Annual Work Plan and Budget shall be eligible for financing out of the proceeds of the GEF Grant.

3. Any Training proposed to be included in an Annual Work Plan and Budget, shall include, inter alia: (a) particulars of the Training envisaged; (b) the criteria for selection of the personnel to be trained, and such personnel if known; (c) the selection method of the institution or individuals conducting such Training; (d) the institution conducting such Training if identified; (e) the purpose and justification for such Training; (f) the location and duration of the proposed training; and (g) the estimate of the cost of such Training.

4. Annual Work Plans and Budgets may be revised as needed during Project implementation subject to the Bank’s prior written approval.
G. Safeguards

1. The Recipient shall implement (or cause SeyCCAT and DBS to implement) the Project in accordance with the relevant Safeguards Instruments, and shall, to that end:

   (a) if any activity under the Project requires the adoption of a Supplemental Safeguard Instrument:

      (i) prepare or cause to be prepared: (A) such Supplemental Safeguard Instrument in accordance with the applicable ESMF or PF; (B) furnish such Supplemental Safeguard Instrument to the Bank for review and approval; and (C) thereafter adopt such Supplemental Safeguard Instrument prior to implementation of the activity; and

      (ii) thereafter take such measures as shall be necessary or appropriate to ensure full compliance with the requirements of such Supplemental Safeguard Instrument; and

   (b) if any activity under the Project would involve Affected Persons, ensure that no displacement (including restriction of access to legally designated parks and protected areas) shall occur before compensation measures under the applicable Livelihoods Restoration Plan, including, in the case of displacement, full payment to Affected Persons of compensation and of other assistance required for relocation, have been taken.

2. Without limitation upon its other reporting obligations under this Agreement, the Recipient shall, for each applicable Safeguard Instrument, regularly collect, compile and furnish, cause to be regularly collected, compiled and furnished to the Bank reports in form and substance satisfactory to the Bank, on the status of compliance with each applicable Safeguard Instrument, as part of the Project Reports, giving details of:

   (a) measures taken in furtherance of such Safeguard Instrument;

   (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of such Safeguard Instrument; and

   (c) remedial measures taken or required to be taken to address such conditions.

3. In the event that any provision of the Safeguards Instruments shall conflict with any provision under this Agreement, the provisions of this Agreement shall prevail.

4. The Recipient shall ensure that:
(a) all terms of reference for any technical assistance and studies to be carried out under the Project are consistent with the Bank's environmental and social safeguard policies; and

(b) in any Project activity that may support the drafting of regulatory instruments for the purpose of the Project, due attention will be given to said policies.

Section II. Project Monitoring Reporting and Evaluation

A. Project Reports; Completion Report

1. The Recipient shall (and shall cause SeyCCAT or DBS, as the case may be, to) 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 Bank. Each Project Report shall cover the period of one calendar semester, and shall be furnished to the Bank not later than forty-five (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 (6) months after the Closing Date.

B. Financial Management, Financial Reports and Audits

1. The Recipient shall maintain or cause to be maintained a financial management system 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 [as part of the Project Report] not later than forty-five (45) days after the end of each calendar quarter, covering the quarter, 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 audit of the Financial Statements shall cover the period of one fiscal year of the Recipient. The audited Financial Statements for each such period shall be furnished to the Bank not later than six (6) months after the end of such period.
Section III. Procurement

A. General

1. Goods, Works and Non-consulting Services. All goods, works and non-consulting services required for the Project and to be financed out of the proceeds of the GEF Grant shall be procured in accordance with the requirements set forth or referred to in Section I of the Procurement Guidelines, and with the provisions of this Section.

2. Consultants' Services. All consultants' services required for the Project and to be financed out of the proceeds of the GEF Grant shall be procured in accordance with the requirements set forth or referred to in Sections I and IV of the Consultant Guidelines and with the provisions of this Section.

3. Definitions. The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the Bank of particular contracts refer to the corresponding method described in Sections II and III of the Procurement Guidelines, or Sections II, III, IV and V of the Consultant Guidelines, as the case may be.

B. Particular Methods of Procurement of Goods, Works and Non-consulting Services

1. International Competitive Bidding. Except as otherwise provided in paragraph 2 below, goods, works and non-consulting services shall be procured under contracts awarded on the basis of International Competitive Bidding.

2. Other Methods of Procurement of Goods, Works and Non-consulting Services. The following methods, other than International Competitive Bidding, may be used for procurement of goods, works and non-consulting services for those contracts specified in the Procurement Plan:

<table>
<thead>
<tr>
<th>Procurement Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) National Competitive Bidding</td>
</tr>
<tr>
<td>(b) Shopping</td>
</tr>
<tr>
<td>(c) Direct Contracting</td>
</tr>
</tbody>
</table>

C. Particular Methods of Procurement of Consultants' Services

1. Quality- and Cost-based Selection. Except as otherwise provided in paragraph 2 below, consultants' services shall be procured under contracts awarded on the basis of Quality- and Cost-based Selection.
2. **Other Methods of Procurement of Consultants' Services.** The following methods, other than Quality- and Cost-based Selection, may be used for procurement of consultants’ services for those contracts which are specified in the Procurement Plan:

<table>
<thead>
<tr>
<th>Procurement Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Quality-based Selection</td>
</tr>
<tr>
<td>(b) Selection under a Fixed Budget</td>
</tr>
<tr>
<td>(c) Least-Cost Selection</td>
</tr>
<tr>
<td>(d) Selection Based on the Consultants’ Qualifications</td>
</tr>
<tr>
<td>(e) Selection of Individual Consultants</td>
</tr>
<tr>
<td>(f) Single-source Selection of consulting firms</td>
</tr>
<tr>
<td>(g) Single-source procedures for the Selection of Individual Consultants</td>
</tr>
</tbody>
</table>

D. **Review by the Bank of Procurement Decisions**

The Procurement Plan shall set forth those contracts which shall be subject to the Bank’s Prior Review. All other contracts shall be subject to Post Review by the Bank.

Section IV. **Withdrawal of Grant Proceeds**

A. **General**

1. The Recipient may withdraw the proceeds of the GEF 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 GEF Grant (“Category”), the allocations of the amounts of the GEF 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 GEF Grant Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be Financed</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, works, non-consulting services, consultants’ services, Training and Operating Costs for the Project except Parts A.3, B.4, C and D.</td>
<td>$5,292,110</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>$5,292,110</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.

2. The Closing Date referred to in Section 3.06(c) of the Standard Conditions is June 30, 2023.
APPENDIX

Section I. Definitions

1. "Affected Person" means a person who as a result of: (i) the involuntary taking of land under the Project is affected in any of the following ways: (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 the affected person must move to another location; or (ii) the involuntary restriction of access to legally designated parks and protected areas suffers adverse impacts on his or her livelihood; and "Affected Person" means any of the Affected Persons.

2. "Annual Work Plan and Budget" means the annual work plan and budget as prepared by the PIU and approved by the Bank in accordance with the provisions of Section I.F of Schedule 2 to this Agreement.


4. "Bank Guarantee" means the International Bank for Reconstruction and Development guarantee backstopping a share of the repayment of the SWIOFish 3 Blue Bond.

5. "Blue Grants" means grants provided by SeyCCAT to Protected Areas Network Beneficiaries and Priority Fisheries Beneficiaries, under Parts A.3 and B.4 of the Project.

6. "Blue Loans" means loans provided by DBS to Blue Investment Fund Beneficiaries, under Part C.5 of the Project.

7. "Blue Investment Fund" means a fund to be established by DBS to operate the Blue Loans as further detailed in the DBS Subsidiary Agreement.

8. "Blue Investment Fund Beneficiaries" means individuals and/or firms to which a Blue Loan is made pursuant to Part C.5 of the Project.

9. "Category" means a category set forth in the table in Section IV of Schedule 2 to this Agreement.

10. "Co-financiers" means the International Bank for Reconstruction and Development, acting as an Implementing Agency of the Global Environment Facility (GEF) and the Recipient as the issuer of the SWIOFish 3 Blue Bond, and "Co-financier" means each and any of the Co-financiers.
11. "Co-financing" means, for purposes of paragraph 16 of the Appendix to the General Conditions, a GEF Grant in an amount of approximately US$5,292,110 million and GEF Loan in an amount of approximately US$5 million and the Recipient's SWIOFish 3 Blue Bond in an amount of approximately US$15 million to assist in financing the Project.

12. "Co-financing Agreement" means the GEF Grant Agreement or the GEF Loan Agreement, and "Co-financing Agreements" means both agreements.


14. "DBS" means Development Bank of Seychelles, a development finance institution with a specific mandate to assist in the economic development of the Recipient, pursuant to the DBG legislation.

15. "DBS' Legislation" means the Recipient's decree [Chapter 63] dated February 1, 1978, establishing DBS.

16. "DBS Subsidiary Agreement" means the agreement referred to in Section I.C. of Schedule 2 to this Agreement pursuant to which the Recipient shall make part of the proceeds of the SWIOFish 3 Blue Bond available to DBS.

17. "Environmental and Social Management Framework" or "ESMF" means the framework disclosed in the Recipient's territory on May 11, 2017 and on the Bank's website on May 12, 2017, in form and substance satisfactory to the Bank, outlining environmental and social implementation procedures, mitigation measures and monitoring procedures for the Project, as said framework may be amended from time to time with the Bank's prior written approval, and such term includes any schedules or annexes to the framework.

18. "Environmental and Social Management Plan" or "ESMP" means a plan to be prepared by the Recipient for the purposes of the Project proposing appropriate mitigation, monitoring and institutional measures designed to mitigate potential adverse environmental impacts, offset them, reduce them to acceptable levels or enhance positive impacts, as the same may be amended from time to time with the agreement of the Bank, and such term includes any schedules or annexes to the plan.

19. "Fisheries Economic Intelligence Unit" means the specialized unit to be established within the Recipient's territory to provide monitoring, analysis and reporting of economic information for the fisheries sector.
20. "Fisheries Monitoring Center" means the sub-unit of the monitoring, control and surveillance section of the Seychelles Fishing Authority that is responsible for ensuring fishing vessel compliance with reporting and vessel monitoring system requirements, as well as validation of statistical reporting documents for regional fisheries bodies and catch certificates.

21. "Fishers and Boat Owners Association" means a locally registered non-governmental organization with a membership comprising boat owners and fishermen operating in the domestic fisheries sector of Seychelles, registered under Registration of Associations Act (CAP201), Section 4, on the 22nd March 2017 (number A431416).

22. "GEF Grant" means the proceeds provided by the International Bank for Reconstruction and Development, acting as an Implementing Agency of the Global Environment Facility (GEF), to the Recipient, under the GEF Grant Agreement.

23. "GEF Grant Agreement" means the agreement to be entered into between the Recipient and the International Bank for Reconstruction and Development, acting as an Implementing Agency of the Global Environment Facility (GEF) providing for the GEF Grant, as such agreement may be amended from time to time.

24. "GEF Loan" means the proceeds provided by the International Bank for Reconstruction and Development, acting as an Implementing Agency of the Global Environment Facility (GEF), to the Recipient, under the GEF Loan Agreement.

25. "GEF Loan Agreement" means the agreement to be entered into between the Recipient and the International Bank for Reconstruction and Development, acting as an Implementing Agency of the Global Environment Facility (GEF) providing for the GEF Loan, as such agreement may be amended from time to time.


27. "IOC" means the Indian Ocean Commission.

28. "Livelihood Restoration Plan" or "LRP" means a plan to be prepared by the Recipient for the purposes of the Project, in form and substance satisfactory to the Bank, setting forth the specific modalities for compensation of Affected Persons under the Project, as said document may be amended and/or supplemented from time to time with the prior written concurrence of the Bank and subject to the initial consultation and disclosure requirements carried out on the LRP, and such term includes any schedules or annexes to the plan.

29. "Mahé Plateau" means the Recipient's plateau that hosts the granitic islands.
30. “MAF” means the Recipient’s ministry responsible for agriculture and fisheries, and any successor thereto.


32. “MFTEP” means the Recipient’s ministry responsible for finance, and any successor thereto.

33. “National Bureau of Statistics” means the institution established by the Recipient’s National Bureau of Statistics Act 2010, which is responsible for the production and dissemination of statistics in the Recipient’s territory.

34. “Operating Costs” means incremental recurrent expenditures incurred on account of Project implementation, including: local contractual support staff salaries; travel expenditures and other travel-related allowances; equipment rental and maintenance; materials and supplies; and utilities, media information campaigns and communications’ expenses, but excluding the salaries of officials and public servants of the Recipient’s civil service.

35. “Priority Fisheries Beneficiaries” means individuals and/or firms to which a Blue Grant is provided pursuant to Part B.4 of the Project.

36. “Process Framework” or “PF” means the Recipient framework disclosed in the Recipient’s territory on May 11, 2017 and on the Bank’s website on May 12, 2017, outlining the participatory process to be followed for activities implemented under the Project that lead to restrictions of access to natural resources in Targeted Zones, including legally designated parks and protected areas, including the criteria for eligibility of project affected persons for receiving any mitigating or compensating measures under the project, as said framework may be amended and/or supplemented from time to time with the prior written consent of the Bank, and such term includes any schedules to such framework.


38. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated June 20, 2017 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.

39. “Program” or “South West Indian Ocean Fisheries Governance and Shared Growth Program” means the program designed to increase the economic, social, and environmental benefits to SWIO countries from sustainable marine fisheries.
40. “Project Implementation Unit” or “PIU” means the unit established within MFTEP pursuant to the Recipient’s letter dated June 1st, 2017, responsible for the day to day implementation of the Project.

41. “Project Operations Manual” means the manual to be prepared and adopted by the Recipient in accordance with the provisions of Section I.E of Schedule 2 to this Agreement, as the same may be revised from time to time with the prior written consent of the Bank.

42. “Project Steering Committee” means the steering committee established by the Recipient pursuant to the Recipient’s letter dated June 1st, 2017.

43. “Protected Areas Network Beneficiaries” means individuals and/or firms to which a Blue Grant is provided pursuant to Part A.3 of the Project.

44. “Providence Fish Center” means a proposed fish auction and marketing facility, the proposed location of which is the port at Providence, Mahé, Seychelles.

45. “Safeguards Instruments” means, collectively, the ESMF, PF and any Supplemental Safeguards Instrument.

46. “SeyCCAT” means the Seychelles Conservation and Climate Adaptation Trust established pursuant to SeyCCAT’s Legislation.

47. “SeyCCAT’s Legislation” means the Recipient’s Conservation and Climate Adaptation Trust of Seychelles Act, dated November 19, 2015.

48. “SeyCCAT Subsidiary Agreement” means the agreement referred to in Section I.B. of Schedule 2 to this Agreement pursuant to which the Recipient shall make part of the proceeds of the SWIOFish 3 Blue Bond available to SeyCCAT.

49. “Seychelles Fishing Authority” means the independent entity established pursuant to the Seychelles Fishing Authority Establishment Act 1984, which has the oversight responsibility over the fisheries sector pursuant to the Fisheries Act 2014.


51. “Supplemental Safeguards Instrument” means collectively, any ESMP, LRP, or any other instrument required under the terms of the Safeguards Framework Documents, to be prepared by the Recipient and approved by the Bank for purposes of the Project, proposing appropriate mitigation, monitoring and institutional measures designed to mitigate potential adverse environmental and
social impacts, offset them, reduce them to acceptable levels or enhance positive impacts, as the said plan may be amended and/or supplemented from time to time with the prior written concurrence of the Bank.

52. "Sustainable-use Marine Protected Areas" means designated areas of the marine environment that contain modified or unmodified natural systems, managed to ensure long term protection and maintenance of ecosystems and services, while providing at the same time a sustainable flow of natural products and services compatible with nature conservation, pursuant to the Recipient’s Protected Areas Policy 2013.

53. "Sustainable-use Marine Protected Areas Network" means the network of Sustainable-use Marine Protected Areas.

54. "SWIO" means South West Indian Ocean.

55. "SWIOFish 3 Blue Bond" means the bond issued by the Recipient to finance part of the cost of Parts A.3, B.4 and C.5 of the Project.

56. "SWIOFish 3 Blue Bond Account" means the special account established in accordance with Section I.A.3. of the GEF Loan Agreement, to receive the proceeds of the GEF Loan.

57. "SWIOFish 3 Blue Bond Account Manual" means the operations manual for the SWIOFish 3 Blue Bond Account, to be prepared as part of the Project Operations Manual, in accordance with Section I.E. of Schedule 2 to this Agreement.

58. "Targeted Zones" means any geographical areas where Project activities will be implemented, including Sustainable-use Marine Protected Areas and the Mahé Plateau.

59. "Training" means the training of persons under the Project based on the Annual Work Program approved by the Bank, including through seminars, workshops, knowledge sharing activities and study tours, and covers the following costs associated with such activity: travel and subsistence costs for training participants, costs associated with securing the services of trainers, rental of training facilities, preparation and reproduction of training materials, and other costs directly related to training preparation and implementation.