Dear Minister:

In response to the request for financial assistance made on behalf of Jamaica ("Recipient"), I am pleased to inform you that the International Bank for Reconstruction and Development ("World Bank"), acting as an implementing entity of the Pilot Program for Climate Resilience (PPCR) under the Strategic Climate Fund ("SCF"), proposes to extend to the Recipient a grant in an amount not to exceed one hundred and twenty-five thousand United States Dollars (US$125,000) ("Grant") on the terms and conditions set forth or referred to in this letter of agreement ("Agreement"), which includes the attached Annex, to assist in the financing of the project described in the Annex ("Project").

This Grant is funded out of the abovementioned 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 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 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 Agreement and to carry out the Project in accordance with the terms and conditions set forth or referred to in this Agreement.

Re: JAMAICA: SCF-PPCR Project Preparation Grant No. TF0A0726
Promoting Community-based Climate Resilience in the Fisheries Sector Project
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 Agreement, and returning it to the World Bank.

Very truly yours,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By: Karin Erika Kemper
Acting Country Director
Caribbean Country Management Unit
Latin America and the Caribbean Region

AGREED:

JAMAICA

By: Authorized Representative

Name: Peter D. Phillips, PhD, MP
Title: Minister of Finance and Planning
Date: January 22, 2016

Enclosures:


(2) Disbursement Letter of the same date as this Agreement, together with World Bank Disbursement Guidelines for Projects, dated May 1, 2006.


Article I
Standard Conditions; Definitions


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 or in this Agreement and the following term has the following meaning:

(a) “MOAF” means the Recipient’s Ministry of Agriculture and Fisheries or its legal successor thereto.

Article II
Project Execution

2.01. **Project Objectives and Description.** The objective of the Project is to support the Recipient in the preparation of the proposed Jamaica Promoting Community-based Climate Resilience in the Fisheries Sector Project financed by the SCF-PPCR, which aims to enhance community-based climate resilience among targeted fishing and fish farming communities in Jamaica. The Project consists of the following parts:

(a) (i) Preparing the PPCR Project documents including, *inter-alia,* the proposal and related annexes, the results framework with detailed targets and indicators; cost-benefit analysis of the proposed activities; the Environmental Management Framework; the Project’s operations manual; the Annual Work Plan including the Procurement Plan for the first eighteen (18) months; and (ii) carrying out workshops for capacity development and consultations with various stakeholders including fishing and fish farming communities to validate the Project design.

(b) Conducting assessments in the fisheries sector on the existing policy and regulatory framework, governance, technical, financial, institutional and human resources capacity, and identifying gaps and bottle-necks.

(c) Identifying potential options for: the Jamaican fishery communities livelihoods diversification; including: (i) resilience building in the coastal fishery areas that are at great risk due to expected impacts of climate change; (ii) conducting a value chain analysis of potential options on community-based aquaculture; (iii) developing business models for coastal marine poly-culture, and artisanal long lines for offshore pelagics; and (iv) providing recommendations for improving the proposed Project design.

(d) Strengthening the capacity of MOAF to carry out project preparation and implementation, including, *inter alia,* coordination and management of Project preparation activities, financial management of the Project preparation grant, and preparation of terms of reference for initial Project implementation including hiring of the Project implementation staff.
2.02. **Project Execution Generally.** The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall carry out the Project, through MOAF, 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.** For purposes of carrying out the Project, the Recipient shall maintain at all times during Project implementation, professional staff in adequate numbers and with terms of reference, qualifications and functions acceptable to the World Bank, to perform all Project’s related functions including, *inter alia*, procurement and financial management.

2.04. **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 SCF’s support for the Project.

(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 SCF to visit any part of the Recipient’s territory for purposes related to the Project.

2.06. **Project Monitoring, Reporting and Evaluation.** (a) The 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 the indicators acceptable to the World Bank. Each Project Report shall cover the period of one calendar semester, and shall be furnished to the World Bank not later than one month after the end of the period covered by such report.

(b) 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.

2.07. **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 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.

(c) The Recipient shall have its Financial Statements audited in accordance with the provisions of Section 2.07 (b) of the Standard Conditions. Such audit of the Financial Statements shall cover the duration of the Project preparation Grant and shall be included in the first year audit of the associated grant. The audited Financial Statements for such period shall be furnished to the World Bank not later than six (6) months after the end of such period.

2.08. **Procurement**

(a) **General.** All goods, non-consulting services and consultants’ 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:

(i) Section I of 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”), in the case of goods and non-consulting services;

(ii) Sections I and IV of 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”) in the case of consultants’ services; and

(iii) the provisions of this Section, as the same shall be elaborated in the procurement plan prepared and updated from time to time by the Recipient for the Project in accordance with paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines (“Procurement Plan”).

(b) Definitions. The capitalized terms used in the following paragraphs of this Section to describe particular procurement methods or methods of review by the World 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.

(c) Particular Methods of Procurement of Goods and Non-consulting Services.

(i) Except as otherwise provided in sub-paragraph (ii) below, goods and non-consulting services shall be procured under contracts awarded on the basis of International Competitive Bidding.

(ii) The following methods, other than International Competitive Bidding, may be used for procurement of goods and non-consulting services for those contracts which are specified in the Procurement Plan: (A) National Competitive Bidding; (B) Shopping; and (C) Direct Contracting.

(d) Particular Methods of Procurement of Consultants’ Services.

(i) Except as otherwise provided in item (ii) below, consultants’ services shall be procured under contracts awarded on the basis of Quality- and Cost-based Selection.

(ii) The following methods, other than Quality- and Cost-based Selection, may be used for the procurement of consultants’ services for those assignments which are specified in the Procurement Plan: Selection based on Consultants’ Qualifications; Selection of Individual Consultants; and Single-source procedures for the Selection of Individual Consultants.

(e) Review by the World Bank of Procurement Decisions. The Procurement Plan shall set forth those contracts which shall be subject to the World Bank’s Prior Review. All other contracts shall be subject to Post Review by the World Bank.
Article III
Withdrawal of Grant Proceeds

3.01. **Eligible Expenditures.** The Recipient may withdraw the proceeds of the 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 Projects” dated May 2006, 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 following table. The 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 (exclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, non-consulting services and consultants’ services, Workshops; and Operating Costs</td>
<td>125,000</td>
<td>100%</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>125,000</strong></td>
<td></td>
</tr>
</tbody>
</table>

For the purpose of this Section, the term:

(a) “Workshops” means expenditures, excluding consultants’ services, incurred by the Recipient to conduct stakeholder consultations workshops, and costs associated with such activities including travel and subsistence costs for participants, rental of consultation workshops facilities, purchase of equipment and materials, preparation and reproduction of materials and other costs directly related to preparation and conducting of stakeholder consultation workshops; and

(b) “Operating Costs” means the reasonable incremental operating expenses incurred by the Recipient on account of Project preparation, management and monitoring including operation and maintenance of the office, purchase of office equipment; office supplies, travel and supervision costs, per diem, as well as other reasonable expenditures directly associated with the implementation of the Project but excluding the salaries and indemnities of officials and public servants 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 countersignature of this Agreement by the Recipient.

3.03. **Withdrawal Period.** The Closing Date referred to in Section 3.06 (c) of the Standard Conditions is eighteen (18) months after the date of countersignature of this Agreement by the Recipient.
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 of Finance and Planning.

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

Ministry of Finance and Planning
30 National Heroes Circle
Kingston 4
Jamaica

Facsimile:
876-924-9291

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
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Cable: Telex: Facsimile:
INTBAFRAD 248423 (MCI) or 1-202-477-6391
Washington, D.C. 64145 (MCI)