Global Environment Facility
Project Agreement

(GEF China Sustainable Cities Integrated Approach Pilot Project)

between

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

and

BEIJING MUNICIPALITY

Dated September 18, 2017
AGREEMENT dated September 18, 2017, entered into between the INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT ("World Bank"), acting as an implementing agency of the Global Environment Facility ("GEF") and BEIJING MUNICIPALITY ("Project Implementing Entity") ("Project Agreement") in connection with the Grant Agreement ("Grant Agreement") of same date between the PEOPLE'S REPUBLIC OF CHINA ("Recipient") and the World Bank.

The World Bank and the Project Implementing Entity hereby agree as follows:

**Article I**

**Standard Conditions; Definitions**

1.01. The Standard Conditions (as defined in the Appendix to the Grant 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 Grant Agreement or the Standard Conditions.

**Article II**

**The Project**

2.01. The Project Implementing Entity declares its commitment to the objectives of the Project. To this end, the Project Implementing Entity shall carry out its Respective Part of the Project in accordance with the provisions of Article II of the Standard Conditions, and shall provide, promptly as needed, the funds, facilities, services and other resources required for its Respective Part of the Project.

2.02. Without limitation upon the provisions of Section 2.01 of this Agreement, and except as the World Bank and the Project Implementing Entity shall otherwise agree, the Project Implementing Entity shall carry out its Respective Part of the Project in accordance with the provisions of the Schedule to this Agreement.

**Article III**

**Representative; Addresses**

3.01. The Project Implementing Entity's Representative is its Mayor or Vice-mayor; or such other person or persons as said Mayor or Vice Mayor shall designate in writing.
3.02. 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, NW
Washington, DC 20433
United States of America

Telex: 248423(MCI) or 64145(MCI)
Facsimile: 1-202-477-6391

3.03. The Project Implementing Entity’s Address is:

Fengdong Zhao
Director
Building 3, No.16 Compound,
West 4th Ring Middle Road, Haidian District,
Beijing, 100039, China
Email: gef_beijing@163.com
Fax: 010-59958218
AGREED at Beijing, People's Republic of China, as of the day and year first above written.

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

By

Authorized Representative

Name: Bert Hoffman
Title: Country Director, China

BEIJING MUNICIPALITY

By

Authorized Representative

Name: Wang Xiangying
Title: Deputy Director General
International Economic and Financial Cooperation Department
Ministry of Finance
SCHEDULE

Execution of Respective Part of the Project

Section I. Institutional and Other Arrangements

A. Implementation Arrangements

1. For the purpose of carrying out its Respective Part of the Project, the Project Implementing Entity shall maintain the following entities with composition, powers, functions, staffing, facilities and other resources satisfactory to the World Bank:

   (a) the City Project Leading Group, responsible for providing overall policy, financial and institutional guidance on Project implementation and facilitating coordination among different implementing agencies within its respective jurisdiction; and

   (b) the City Project Management Office responsible for implementation of the Project at the city level, and coordinating day-to-day activities, monitoring Project implementation at the provincial level and preparing Project annual work plans and semi-annual progress and financial reports for submission to the World Bank.

B. Anti-Corruption

The Project Implementing Entity shall ensure that its Respective Part of the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.

C. Safeguards

1. The Project Implementing Entity shall implement the Safeguards Instruments in a manner and substance satisfactory to the World Bank.

2. The Project Implementing Entity shall ensure that all studies and technical assistance to be supported under the Project are carried out under terms of reference satisfactory to the World Bank, and that such terms of reference are consistent with, and pay due attention to, the World Bank’s Safeguards Policies.

3. The Project Implementing Entity shall not amend, suspend, or waive the Safeguards Instruments, or any provision thereof, without the prior written concurrence of the World Bank.
4. The Project Implementing Entity shall maintain, policies and procedures adequate to enable it to monitor and evaluate, in accordance with guidelines acceptable to the World Bank, the implementation of the Safeguards Instruments.

5. Without limitation to the provisions of paragraphs 1 through 4 of this Section I.C, or the provisions of Section IIA below, the Project Implementing Entity shall take all measures necessary on its part to regularly collect, compile, and submit to the World Bank, as part of the Project Reports, information on the status of compliance with the Safeguards Instruments, giving details of:

(a) measures taken in furtherance thereof;

(b) conditions, if any, which interfere or threaten to interfere with the smooth implementation thereof; and

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

6. In the event of any inconsistency between the provisions of the Safeguards Instruments and the provisions of the Grant Agreement or this Agreement, the provisions of the Grant Agreement and this Agreement shall prevail.

D. Annual Work Plans

The Project Implementing Entity shall: (a) carry out activities under its Respective Part of the Project during each fiscal year in accordance with Annual Work Plans agreed with the World Bank; (b) prepare and furnish to the World Bank by December 31 in each year, beginning in 2017, a draft Annual Work Plan for review and comment, summarizing the implementation progress of its Respective Part of the Project for the said year and the Project activities to be undertaken for the following calendar year, including the proposed annual budget for its Respective Part of the Project; (c) taking into account the World Bank’s comments, finalize and furnish to the World Bank no later than January 31 in each year, beginning in 2018, the Annual Work Plan, satisfactory to the World Bank; and (d) thereafter, ensure the implementation of its Respective Part of the Project during the following calendar year in accordance with the Annual Work Plan, in a manner satisfactory to the World Bank. The Project Implementing Entity shall not amend, suspend, abrogate, or waive said Annual Work Plans or any provision thereof without the prior approval of the World Bank.
Section II. Project Monitoring, Reporting and Evaluation.

A. Project Reports, Mid-term Review

1. The Project Implementing Entity shall monitor and evaluate the progress of its Respective Part of the Project and prepare Project Reports for its Respective Part of the Project in accordance with the provisions of Section 2.06 of the Standard Conditions and on the basis of indicators set forth in the Results Framework. Each such Project Report shall cover the period of one calendar semester, and shall be furnished to the Recipient not later than sixty (60) days after the end of the period covered by such report for incorporation and forwarding by the Recipient to the World Bank of the overall Project Report.

2. Without limitation to the provisions of paragraph 1 above, the Project Implementing Entity shall prepare, under terms of reference satisfactory to the Recipient and the World Bank, and furnish to the Recipient for incorporation in the consolidated mid-term review report for the Project no later than December 31, 2019, a mid-term review report for its Respective Part of the Project, summarizing the result of the monitoring and evaluation activities carried out from the inception of the Project, and setting out the measures recommended to ensure the efficient completion of its Respective Part of the Project and the achievement of the objectives thereof during the period following such data.

3. The Project Implementing Entity shall provide to the Recipient not later than three (3) months after the Closing Date, for incorporation in the report referred to in Section 2.06 (b) (ii) of the Standard Conditions all such information as the Recipient or the World Bank shall reasonably request for the purposes of that Section.

B. Financial Management, Financial Reports and Audits

1. The Project Implementing Entity shall maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the World Bank, both in a manner adequate to reflect the operations and financial condition of the Project Implementing Entity, including the operations, resources and expenditures related to its Respective Part of the Project.

2. Without limitation to the provisions of Part A of this Section, the Project Implementing Entity shall prepare and furnish to the World Bank, not later than sixty (60) days after the end of each semester, interim unaudited financial reports for its Respective Part of the Project covering the semester, in form and substance satisfactory to the World Bank.
3. The Project Implementing Entity shall have its financial statements referred to in paragraph 1 of this Part B audited by independent auditors acceptable to the World Bank, in accordance with consistently applied auditing standards acceptable to the World Bank. Each audit of these financial statements shall cover the period of one (1) fiscal year of the Project Implementing Entity. The Project Implementing Entity shall ensure that the audited financial statements for each period shall be: (a) furnished to the Recipient and the World Bank not later than six (6) months after the end of the period; and (b) made publicly available in a timely fashion and in a manner acceptable to the World Bank.

Section III. Procurement

All goods and services required for its Respective Part of the Project and to be financed out of the proceeds of the Grant shall be procured in accordance with the provisions of Section III of Schedule 2 to the Grant Agreement.