Liberia Forest Landscape Single Donor Trust Fund

Grant Agreement

(Liberia Forest Sector Project)

between

REPUBLIC OF LIBERIA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION
(acting as Administrator of the Liberia Forest Landscape Single Donor Trust Fund)

Dated April 27, 2016
GRANT NUMBER TFA2427

Liberia Forest Landscape Single Donor Trust Fund
GRANT AGREEMENT

AGREEMENT dated March 27, 2016, entered into between
REPUBLIC OF LIBERIA ("Recipient"); and INTERNATIONAL DEVELOPMENT
ASSOCIATION, acting as administrator of the Liberia Forest Landscape Single Donor
Trust Fund ("World Bank").

The Recipient and the World Bank hereby agree as follows:

Article I
Standard Conditions; Definitions

1.01. The "Standard Conditions for Grants Made by the World Bank Out of Various
Funds", dated February 15, 2012, ("Standard Conditions"), 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 Standard Conditions or in this
Agreement.

Article II
The Project

2.01. The Recipient declares its commitment to the objectives of the project described
in Schedule 1 to this Agreement ("Project"). To this end, the Recipient shall cause
the Project to be carried out by the Forestry Development Authority ("FDA" or
"Project Implementing Entity") in accordance with the provisions of Article II of
the Standard Conditions and the agreement dated the same date as this Agreement
between the World Bank and the Project Implementing Entity, as such agreement
may be amended from time to time ("Project Agreement").

2.02. 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.

2.03. 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 equal to thirty six million seven hundred thousand United States Dollars ($36,700,000) ("Grant") to assist in financing the Project.

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

3.03. The 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 Grant proceeds is subject to the availability of such funds.

**Article IV**

**Additional Remedies**

4.01. The Additional Events of Suspension referred to in Section 4.02 (k) of the Standard Conditions consist of the following:

(a) The Recipient has taken or permitted to be taken any action which would prevent or interfere with the performance by the Project Implementing Entity of its obligations under the Project Agreement.

(b) The Project Implementing Entity has failed to perform any obligation under the Project Agreement or the Subsidiary Agreement.

(c) IBRD or IDA has declared the Project Implementing Entity ineligible to receive proceeds of any financing made by IBRD or IDA, or otherwise to participate in the preparation or implementation of any project financed in whole or in part by IBRD or IDA (including as administrator of funds provided by another financier), as a result of: (i) a determination by IBRD or IDA that the Project Implementing Entity has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of any financing made by IBRD or IDA; and/or (ii) a declaration by another financier that the Project Implementing Entity is ineligible to receive proceeds of financings made by such financier or otherwise to participate in the preparation or implementation of any project financed in whole or in part by such financier as a result of a determination by such financier that the Project Implementing Entity has engaged in fraudulent,
corrupt, coercive or collusive practices in connection with the use of the proceeds of a financing made by such financier."

(d) As a result of events which have occurred after the date of this Agreement, an extraordinary situation has arisen which makes it improbable that the Project Implementing Entity will be able to perform its obligations under the Project Agreement.

(e) The Project Implementing Entity's Legislation has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of the Project Implementing Entity to perform any of its obligations under the Project Agreement.

(f) An Implementing Partner has failed to comply with any provision of the MOU it is a party to, and such failure is continuing for a period of 60 days after notice of the event has been given by the World Bank to the Recipient.

(g) The World Bank has determined after the Effective Date referred to in Section 5.03 of this Agreement that prior to such date but after the date of this Agreement, an event has occurred which would have entitled the World Bank to suspend the Recipient's right to make withdrawals from the Grant Account if this Agreement had been effective on the date such event occurred.

Article V
Effectiveness; Termination

5.01. This Agreement shall not become effective until evidence satisfactory to the World Bank has been furnished to the World Bank that the conditions specified below have been satisfied.

(a) The execution and delivery of this Agreement on behalf of the Recipient and the Project Agreement on behalf of the Project Implementing Entity have been duly authorized or ratified by all necessary governmental and corporate action.

(b) If the World Bank so requests, the condition of the Project Implementing Entity, as represented or warranted to the World Bank at the date of the Project Agreement, has undergone no material adverse change after such date.

(c) The Subsidiary Agreement referred to in Section 1.B of Schedule 2 to this Agreement has been executed on behalf of the Recipient and the Project Implementing Entity.
(d) The Project Implementation Manual (PIM), in form and substance satisfactory to the World Bank, has been adopted by the Project Implementing Entity.

(e) MOUs have been entered into between the Project Implementing Entity and each of MOA, EPA, LISGIS and MLME.

5.02. As part of the evidence to be furnished pursuant to Section 5.01 (a), there shall be furnished to the World Bank an opinion or opinions satisfactory to the World Bank of counsel acceptable to the World Bank or, if the World Bank so requests, a certificate satisfactory to the World Bank of a competent official of the Member Country, showing the following matters:

(a) on behalf of the Recipient, that this Agreement has been duly authorized or ratified by, and executed and delivered on its behalf and is legally binding upon it in accordance with its terms;

(b) on behalf of the Project Implementing Entity, that the Project Agreement has been duly authorized or ratified by, and executed and delivered on its behalf and is legally binding upon it in accordance with its terms; and

(c) the Subsidiary Agreement referred to in Section 1.B of Schedule 2 to this Agreement has been duly authorized or ratified by the Recipient and the Project Implementing Entity and is legally binding upon each such party in accordance with its terms.

5.03. Except as the Recipient and the World Bank shall otherwise agree, this Agreement shall enter into effect on the date upon which the World Bank dispatches to the Recipient notice of its acceptance of the evidence required pursuant to Section 5.01 ("Effective Date"). If, before the Effective Date, any event has occurred which would have entitled the World Bank to suspend the right of the Recipient to make withdrawals from the Grant Account if this Agreement had been effective, the World Bank may postpone the dispatch of the notice referred to in this Section until such event (or events) has (or have) ceased to exist.

5.04. Termination for Failure to Become Effective. This Agreement and all obligations of the parties under it shall terminate if it has not entered into effect by the date ninety (90) days after the date of this Agreement, unless the World Bank, after consideration of the reasons for the delay, establishes a later date for the purpose of this Section. The World Bank shall promptly notify the Recipient of such later date.
Article VI
Recipient’s Representative; Addresses

6.01. The Recipient’s Representative referred to in Section 7.02 of the Standard Conditions is its Minister of Finance and Development Planning.

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

Minister of Finance and Development Planning
Ministry of Finance and Development Planning
P.O. Box 10-9013
Broad Street
Monrovia, Liberia

E-mail: akonneh@mopea.gov.lr

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

International Development Association
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 Monrovia, Republic of Liberia, as of the day and year first above written.

REPUBLIC OF LIBERIA

By

[Signature]

Authorized Representative

Name: Amona Konneh

Title: Minister

INTERNATIONAL DEVELOPMENT ASSOCIATION
(acting as administrator of the Liberia Forest Landscape Single Donor Trust Fund)

By

[Signature]

Authorized Representative

Name: Irina Dobrzya

Title: Country Manager
SCHEDULE 1

Project Description

The objective of the Project is improved management of, and increased benefit-sharing in, targeted forest landscapes in the Republic of Liberia.

The Project consists of the following parts:

Part 1. Strengthened Regulatory and Institutional Arrangements for Implementation of REDD+

Support for reforming and harmonizing the existing legal regime and for strengthening institutional and professional capacities for improved management of forest landscapes, including through technical assistance, Training, consultants’ and non-consultants’ services, works, goods, and financing of Operating Costs, all in support of the following activities:

1.1 Strengthened capacity in institutions for improved management of forest landscapes:

(a) Support for existing multi-stakeholder coordination mechanisms established as part of the REDD+ readiness process including sustainable forest management.

(b) Support for the Project Implementing Entity and selected agencies and ministries involved in Project implementation to enhance institutional capacities for Project implementation and for sustainable forest management, and to build skills and knowledge, develop and implement systems and procedures, and build regulatory and implementation capabilities needed for sustainable and effective forest management in these agencies and ministries.

(c) Support for the design and implementation of a decentralization strategy to strengthen FDA and EPA regional capacities in sustainable forest management, through: (i) Construction and/or renovation of regional offices to enable de-centralization of FDA and EPA resources and capabilities; (ii) support for technical and operational resources to bolster FDA’s and EPA’s regional service delivery capacities in support of protected and community forest management; (iii) support for communication, information management, outreach, and information technology to FDA regional and park offices to facilitate information and communication exchanges to ensure strong regional to local linkages; and (iv) establishment of inter-agency task teams to
enable agencies and ministries to carry out their responsibilities at a local level and to implement Project activities.

(d) Support for the development and implementation of service delivery partnerships between the Project Implementing Entity and local service delivery providers to enable the Recipient to deliver the services needed to assist communities to better manage the Targeted Landscapes.

(e) Support for the professional development of FDA and EPA staff, through skills development and training, work placements, study tours, Scholarships and for curriculum development of regional agriculture and forestry training institutes.

1.2 **Legal Reform**: Technical assistance support to the Recipient in the process of legal reform and effective implementation of REDD+ related laws and policies through the following activities:

(a) technical assistance for the review and development of satisfactory procedures for future award of concessions to be approved by an independent multi-stakeholder body;

(b) technical assistance for development of a technical review mechanism, including an independent multi-stakeholder committee, to review and approve future logging concessions;

(c) technical assistance for further review and development of Liberia’s forest regulations and policy to ensure that conservation and community forestry are given equal priority alongside commercial interests; and

(d) technical assistance to support the harmonization of the Recipient’s Community Rights Law with applicable regulations and other applicable legislation.

**Part 2. Strengthened Capacity for Management of Targeted Forest Landscapes**

Support to local communities and their organizations within the Targeted Landscapes to improve the sustainable management and conservation of natural resources and improve the economic and social benefits derived from them, including through technical assistance, consultants’ services, works, goods, Training, provision of Sub-Grants, and financing of Operating Costs, all in support of the following activities:
2.1 *Improved land use planning:* Support for the preparation of current land use maps at the sub-national and national level, and development of a roadmap to scale up land use planning beyond the community level, aimed at advancing an integrated landscape management approach for sustainable management of natural resources and for carbon emissions reductions at landscape scale.

2.2 *Strengthened Management of Protected Areas of Targeted Landscapes:*

(a) Support for the expansion, improved management and sustainable funding of the Recipient’s protected area network, providing the resources necessary to safeguard selected existing and future protected areas including through support for: (i) boundary demarcation (including operational costs for dispute resolution processes concerning such demarcation process, and costs of boundary demarcation maintenance); (ii) small infrastructure investments needed for effective on the ground management such as ranger and staff accommodations, headquarters, ranger outposts; (iii) financing of vehicles and equipment (such as generators, communications equipment, portable computers, GPS systems, binoculars, cameras, ranger uniforms, camping equipment); (iv) preparation of park management plans; (v) livelihoods support including livelihood restoration on the basis of Livelihood Restoration Plans; (vi) financing of Operating Costs; and (vii) Training and institutional strengthening on protected area management to the Project Implementing Entity and other agencies and stakeholders selected in agreement with the World Bank.

(b) Technical assistance and carrying out of studies for pre-gazettement activities for selected proposed protected areas.

(c) (i) Technical assistance and studies for the design of a national level conservation trust fund to help maintain long term financial sustainability of the Recipient’s protected area system; (ii) technical assistance and studies to promote appropriate use and benefit sharing of biodiversity offsets from extractive industry activities; (iii) analytical studies regarding the tourism potential within Targeted Landscapes; and (iv) support to the Project Implementing Entity for increased presence on the ground and effectiveness through the recruitment of additional staff to regional offices and funding of vehicles.

2.3 *Community Forestry in Targeted Landscapes:* Support for demand-driven activities (including Sub-projects) to assist forest communities to: (i)
strengthen community governance and institutions to manage community forest lands and common pool resources; (ii) promote and support productive natural resources management investments; and (iii) improve livelihoods by creating job opportunities, and improve income from the use of communities’ customary lands and forest resources.

2.4 *Strengthened Capacity for Sustainable Agriculture:* Support for promoting sustainable agricultural practices and reducing slash-and-burn agriculture in the Targeted Landscapes, through demand-driven agroforestry and food crop cultivation activities, including Sub-projects.

### Part 3. Forest Monitoring Information System

Support for the development of forest monitoring information systems, including through technical assistance, consultants’ and non-consultants’ services, goods, Training, and financing of Operating Costs, all in support of the following activities:

3.1 Development, establishment, testing and operation of a functional national system for Measurement, Reporting and Verification (MRV System) in line with international best practice guidelines, Training on such system and financing the costs of operation of the system (including, *inter alia*, costs for data collection and analysis, estimation of emission reductions, and reporting to required international bodies) for the life of the Project; and development of a REDD + reference level.

3.2 Operationalization and update of an information system for environmental and social safeguards, in line with international best practice and World Bank safeguards policies, piloting such system in the Targeted Landscapes, and Training and capacity building for the Project Implementing Entity and other implementing line ministries, agencies and stakeholders on the use of such system, and development of national guidelines on community consultation in forestry projects in line with international best practices.

### Part 4. Project Management, Monitoring and Communication

Support for Project implementation and management and monitoring and evaluation including through the following activities:

4.1 Support for monitoring and evaluation, and for the design and implementation of a communication strategy to inform stakeholders about the Project and its results.
4.2 Support for general Project implementation, management and monitoring, including financing of Operating Costs, consultants services, and audits.
SCHEDULE 2

Project Execution

Section I. Institutional and Other Arrangements

A. Implementation Arrangements

1. The Recipient shall take all necessary measures on its part to ensure that the Project Implementing Entity carries out the Project in a manner satisfactory to the World Bank and in compliance with the PIM and the Safeguards Instruments.

2. The Recipient shall maintain: (a) the NCCSC, in a form, composition and with functions, membership and responsibilities satisfactory to the World Bank, as further set forth in the PIM, to be responsible for ensuring inter-sectoral coordination for the Project; and (b) the NCCS, in a form, composition and with functions, staffing, and responsibilities satisfactory to the World Bank, as further set forth in the PIM, to be responsible for providing guidance and coordination of Project activities carried out by the Project Implementing Entity, Implementing Ministries and Implementing Partners and coordinate linkages between the NCCSC, technical working level groups, and other entities or agencies of the involved in Project implementation.

3. The Recipient shall take all measures on its part to ensure that the Project is carried out in coordination with the relevant ministries and agencies, including the Implementing Partners and Implementing Ministries, as further set forth in the MOUs and the PIM, and in coordination with the National Climate Change Secretariat.

4. The Recipient shall:

   (a) ensure that the Implementing Ministries: (i) comply with the provisions of the MOU they are a party to; (ii) maintain a dedicated team for the implementation of Project activities, with adequate staffing with qualifications and responsibilities satisfactory to the World Bank; and (iii) carry out the Project activities and their respective obligations under their respective MOUs in accordance with the PIM, the Safeguards Instruments, this Agreement and the Project Agreement; and

   (b) cause the Project Implementing Entity to ensure that the Implementing Partners: (i) comply with the provisions of the MOU they are a party to; (ii) maintain a dedicated team for the implementation of Project activities, with adequate staffing with qualifications and responsibilities satisfactory to the World Bank; and (ii) carry out the Project activities and their respective obligations under their respective MOUs in accordance with the
PIM, the Safeguards Instruments, this Agreement and the Project Agreement.

5. The Recipient shall maintain, at all times during the implementation of the Project, the PFMU within the Ministry of Finance and Development Planning, to be responsible for financial management under the Project, and shall take all actions, including, the provision of funding, personnel and other resources necessary to enable the PFMU to perform said function. The PFMU shall carry out its function in accordance with this Agreement and the PIM.

B. Subsidiary Agreement

1. To facilitate the carrying out of the Project, the Recipient shall make the proceeds of the Grant available to the Project Implementing Entity under the Subsidiary Agreement, under terms and conditions approved by the World Bank.

2. The Recipient shall exercise its rights under the Subsidiary Agreement in such manner as to protect the interests of the Recipient and the World Bank and to accomplish the purposes of the Grant. Except as the World Bank shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive the Subsidiary Agreement or any of its provisions.

C. Anti-Corruption

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

D. Safeguards

1. The Recipient shall take all necessary measures on its part to ensure that the Project is implemented in accordance with the provisions of Section I.D of the Schedule to the Project Agreement.

2. In case of any activity under the Project requiring the adoption of an ESIA or ESMP as the case may be pursuant to the ESMF, the Recipient shall:

   (a) ensure that the Project Implementing Entity shall prepare the respective ESIA and/or ESMP, as applicable, and disclose the ESIA and/ or ESMP, as applicable in accordance with the ESMF and shall thereafter implement such ESIA and/or ESMP in accordance with its terms; and

   (b) in the case of any activity under the Project involving Affected Persons, ensure that no activities (including restriction of access to legally designated parks and protected areas) shall occur before necessary measures, including preparation of any required plans such as Livelihood
Restoration Plans, satisfactory to the World Bank and consistent with the PF are in place.

3. The Recipient shall ensure, and shall cause the Project Implementing Entity to ensure, that: (i) all consultancies related to technical assistance and capacity building under the Project, the application of whose results could have environmental or social implications, shall only be undertaken pursuant to terms of reference reviewed and found satisfactory by the World Bank; and (ii) such terms of reference shall duly incorporate the requirements of the World Bank’s applicable safeguards policies and procedures then in force and shall require the technical assistance to take into account the requirements of said policies.

E. Sub-Grants

1. The Recipient shall take all necessary measures on its part to ensure that the Sub-Grants are awarded, and the Sub-Projects are carried out, in accordance with the provisions of Section I.E of the Schedule to the Project Agreement. The Recipient shall make any Sub-Grants to Eligible Recipients in accordance with screening mechanisms, eligibility criteria and procedures acceptable to the World Bank, as further set forth in the PIM.

2. The Recipient shall make each Sub-Grant under a Sub-Grant Agreement with the respective Eligible Recipient on terms and conditions approved by the World Bank, which shall include that the Recipient shall obtain rights adequate to protect its interests and those of the World Bank, including the right to:

(a) suspend or terminate the right of the Eligible Recipient to use the proceeds of the Sub-Grant, or obtain a refund of all or any part of the amount of the Sub-Grant then withdrawn, upon the Recipient’s failure to perform any of its obligations under the Sub-Grant Agreement; and

(b) require each Eligible Recipient to:

(A) carry out its Sub-project with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, environmental and social standards and practices satisfactory to the World Bank, including in accordance with the provisions of the Safeguards Instruments and the Anti-Corruption Guidelines applicable to recipients of grant proceeds other than the Recipient;

(B) provide, promptly as needed, the resources required for the purpose;
(C) procure the goods, works and services to be financed out of the Sub-Grant in accordance with the provisions of this Agreement and the PIM;

(D) maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with indicators acceptable to the World Bank, the progress of the Sub-Grant and the achievement of its objectives;

(E) (1) 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, resources and expenditures related to the Sub-project; and (2) at the Recipient’s or World Bank’s request, have such financial statements audited by independent auditors acceptable to the World Bank, in accordance with consistently applied auditing standards acceptable to the World Bank, and promptly furnish the statements as so audited to the Recipient, the World Bank and the Project Implementing Entity;

(F) enable the Recipient, the World Bank and the Project Implementing Entity to inspect the Sub-project, its operation and any relevant records and documents; and

(G) prepare and furnish to the Recipient, the World Bank and the Project Implementing Entity all such information as the Recipient or the World Bank or the Project Implementing Entity shall reasonably request relating to the foregoing.

3. The Recipient shall exercise its rights under each Sub-Grant Agreement in such manner as to protect the interests of the Recipient, the World Bank and the Project Implementing Entity and to accomplish the purposes of the Grant. Except as the Recipient and the World Bank shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive any Sub-Grant Agreement or any of its provisions.

F. Scholarships

The Recipient shall take all necessary measures on its part to ensure that Scholarships are awarded in accordance with the provisions of Section I.F of the Schedule to the Project Agreement.
Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports; Completion Report

1. The Recipient shall cause the Project Implementing Entity to monitor and evaluate the progress of the Project and to 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 World Bank. Each Project Report shall cover the period of one (1) calendar semester, and shall be furnished to the World 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; 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 prepare and furnish to the World Bank not later than forty-five (45) days after the end of each calendar quarter, interim unaudited financial reports for the Project covering the quarter, in form and substance satisfactory to the World Bank.

3. The Recipient shall have the Financial Statements 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 (1) fiscal year of the Recipient. The audited Financial Statements for each such period shall be furnished to the World Bank not later than six (6) months after the end of such period.

Section III. Procurement

A. General

1. Procurement and Consultant Guidelines. All goods, works, 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 Section I of the Procurement Guidelines in the case of goods, works and non-consulting services, and Sections I and IV of the Consultant Guidelines in the case of consultants’ services and the provisions of this Section III, as the same shall be elaborated in the Procurement Plan.
2. **Definitions.** The capitalized terms used below in 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.

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 table specifies the methods of procurement, other than International Competitive Bidding, which may be used for goods, works and non-consulting services. The Procurement Plan shall specify the circumstances under which such methods may be used:

<table>
<thead>
<tr>
<th>Procurement Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Limited International Bidding</td>
</tr>
<tr>
<td>(b) National Competitive Bidding, subject to the additional provisions set forth in paragraph 3 immediately below</td>
</tr>
<tr>
<td>(c) Shopping</td>
</tr>
<tr>
<td>(d) Direct Contracting</td>
</tr>
</tbody>
</table>

3. **Exceptions to National Competitive Bidding Procedures.** The following provisions shall apply to the procurement of goods, works and non-consulting services under National Competitive Bidding procedures:

   (a) foreign bidders shall be allowed to participate in National Competitive Bidding procedures;

   (b) bidders shall be given at least one month to submit bids from the date of the invitation to bid or the date of availability of bidding documents, whichever is later;

   (c) no domestic preference shall be given for domestic bidders and for domestically manufactured goods; and
in accordance with paragraph 1.16 (e) of the Procurement Guidelines, each bidding document and contract financed out of the proceeds of the Grant shall provide that: (i) the bidders, suppliers, contractors and subcontractors shall permit the World Bank, at its request, to inspect their accounts and records relating to the bid submission and performance of the contract, and to have said accounts and records audited by auditors appointed by the World Bank; and (ii) the deliberate and material violation by the bidder, supplier, contractor or subcontractor of such provision may amount to an obstructive practice as defined in paragraph 1.16(a)(v) of the Procurement Guidelines.

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 table specifies methods of procurement, other than Quality- and Cost-based Selection, which may be used for consultants’ services. The Procurement Plan shall specify the circumstances under which such methods may be used.

<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 Consultants’ Qualifications</td>
</tr>
<tr>
<td>(e) Single-source Selection of consulting firms</td>
</tr>
<tr>
<td>(f) Single-source procedures for the Selection of Individual Consultants</td>
</tr>
<tr>
<td>(g) Selection of Individual Consultants</td>
</tr>
</tbody>
</table>

D. 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.
Section IV. Withdrawal of Grant Proceeds

A. General

1. The Recipient may withdraw the proceeds of the 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 “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 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 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 (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, works, non-consulting services, consultants’ services (including audit), Training and Operating Costs under Part 1, Parts 2.2, 2.3, 2.4, Part 3 and Part 4 of the Project (except Sub-Grants)</td>
<td>35,171,500</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Sub-Grants</td>
<td>528,500</td>
<td>100%</td>
</tr>
<tr>
<td>(3) Goods, non-consulting services, consultants’ services, Training and Operating Costs under Part 2.1 of the Project</td>
<td>1,000,000</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>36,700,000</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:
   
   (a) for payments made prior to the date of this Agreement; or
   
   (b) under Category (3), until: (a) the Recipient has provided evidence satisfactory to the World Bank that the LA has been legally established in a form and with functions, resources, staffing and mandate, satisfactory to the World Bank, and is fully functional; and (b) the Project Implementing Entity and LA have entered into their respective MOU.

2. The Closing Date referred to in Section 3.06 (c) of the Standard Conditions is June 30, 2020.
APPENDIX

Section I. Definitions

1. “Affected Persons” means persons who, on account of an involuntary taking of land under the Project, had or would have their: (a) standard of living adversely affected; or (b) right, title or interest in any house, land (including premises, agricultural and grazing land) or any other fixed or movable asset acquired or possessed, temporarily or permanently; or (c) access to productive assets adversely affected, temporarily or permanently; or (d) business, occupation, work or place of residence or habitat adversely affected, temporarily or permanently; and “Affected Person” means any of the Affected Persons.

2. “Annual Work Plan” means the work plan prepared for each year of implementation of the Project, in accordance with Section C of the Schedule to the Project Agreement.


4. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.


6. “Eligible Candidate” means a candidate eligible for a Scholarship in accordance with selection and eligibility criteria acceptable to the World Bank as set forth in the PIM.

7. “Eligible Recipient” means a community, small community enterprise, farmer or farmers organization, non-governmental organizations and civil society organizations, each selected as being eligible for a Sub-Grant, selected in accordance with eligibility criteria and selection processes approved by the World Bank, as further set forth in the PIM.

8. “Environmental and Social Impact Assessment” or “ESIA” means, for a given Project activity, a site-specific environmental and social impact assessment of said activity prepared pursuant to the ESMF, acceptable to the World Bank, as the said document may be amended and/or supplemented from time to time with the prior written concurrence of the World Bank and subject to same initial consultation and disclosure requirements carried out for the ESMF.
9. "Environmental and Social Management Framework" or "ESMF" means the Environmental and Social Management Framework prepared by the Recipient for the Project, disclosed on February 10, 2016, which framework sets forth, inter alia, the modalities for site-specific environmental screening and procedures/actions for the preparation and implementation of ESIAs and ESMPs under the Project, the set of mitigation, monitoring, and institutional measures and procedures required in order to eliminate adverse environmental and social impacts, offset them, or reduce them to acceptable levels, as well as actions needed to implement said measures, and setting forth sub-project screening mechanisms and guidelines for addressing any risks of land use conflict involving local populations, and to ensure that any lands used for Project works were acquired voluntarily and do not involve conflicting claims, as the said document may be amended and/or supplemented from time to time with the prior written concurrence of the World Bank.

10. "Environmental and Social Management Plan" or "ESMP" means, for a given Project activity, a site-specific environmental and social management plan of said activity prepared pursuant to the ESMF, and giving details of specific actions and setting forth the mitigating, monitoring and institutional measures to be taken during the implementation and operation of the Project to offset or reduce adverse environmental impacts to levels acceptable to the World Bank, including the budget and cost estimates, and sources of funding, along with the institutional and procedural measures needed to implement such actions, measures and policies and the parties responsible for executing works and monitoring of construction and operational impact, as the said document may be amended and/or supplemented from time to time with the prior written concurrence of the World Bank and subject to same initial consultation and disclosure requirements carried out for the ESMF.


12. “Implementing Ministries” means MOA and MLME, and any other ministry involved in Project implementation as agreed with the World Bank and set forth in the PIM.

13. “Implementing Partners” means the EPA, LA, and LISGIS.

14. “LA” means the Recipient’s Liberia Land Authority, to be established by the Recipient as a successor to the Recipient’s Land Commission, and referred to in Section IV.B.1(b), or any successor thereto.

15. “LISGIS” means the Liberia Institute of Statistics and Geo-Information Services established by the Recipient pursuant to an “Act to Further Amend the New Executive Law, Title 12, of the Liberian Code of Laws Revised, As Amended, by
Adding Thereto a New Chapter SOA", approved July 22, 2004, or any successor thereto.

16. "Livelihood Restoration Plan" means each plan prepared by the Recipient, to be satisfactory to the World Bank, providing appropriate mitigation and livelihoods restoration measures to any Affected Persons for any adverse impacts on livelihoods caused by any expansion of protected areas.

17. "MOUs" means the memoranda of understanding which the Project Implementing Entity will enter into for the Project and referred to in Section I.A.2 of the Schedule to the Project Agreement, with the Implementing Ministries and Implementing Partners.

18. "Ministry of Finance and Development Planning" or "MFDP" means the Recipient's Ministry of Finance and Development Planning; or any successor thereto.

19. "Ministry of Agriculture" or "MOA" means the Recipient's Ministry of Agriculture; or any successor thereto.

20. "Ministry of Lands, Mines and Energy" or "MLME" means the Recipient's ministry responsible at the time for lands, mines and energy; or any successor thereto.

21. "National Climate Change Secretariat" or "NCCS" means the National Climate Change Secretariat, the secretariat for the NCCSC, established by the Recipient pursuant to endorsement by its Cabinet in 2010, and launched by the Recipient's vice-president on behalf of the Recipient's president on October 18, 2010.

22. "National Climate Change Steering Committee" or "NCCSC" means the National Climate Change Steering Committee established by the Recipient pursuant to endorsement by its Cabinet in 2010, and launched by the Recipient's vice-president on behalf of the Recipient's president on October 18, 2010.

23. "Operating Costs" means incremental recurrent expenditures incurred on account of Project implementation by the Recipient, Project Implementing Entity, Implementing Partners and Implementing Ministries involved in Project implementation, all based on periodic budgets acceptable to the World Bank, including, *inter alia*: travel expenditures and other travel-related allowances such as per diems and reasonable accommodation costs; equipment rental and maintenance; vehicle operation (including fuel), maintenance, insurance and repair; office rental and maintenance; office materials and supplies; consumables; field rations; utilities; internet service charges; media information campaigns and communications' expenses; advertising expenses; banking charges, and local...
contractual support staff salaries but excluding the salaries of officials and public servants of the Recipient’s civil service.

24. “Process Framework” means the Process Framework disclosed on February 10, 2016, prepared by the Recipient for the Project, acceptable to the World Bank, identifying potential Affected Persons, describing the type of adverse, livelihood-related impacts that Project activities could bring about, and establishing a participatory process by which members of potentially affected communities can participate in the design of the Project components, determination of measures necessary to achieve resettlement policy objectives and to minimize any adverse impacts upon local livelihoods and to provide support for the development of more sustainable or alternative livelihoods where needed, and setting forth sub-project screening mechanisms and guidelines for addressing any risks of land use conflict involving local populations, and to ensure that any lands used for Project works were acquired voluntarily and do not involve conflicting claims, and implementation and monitoring of relevant Project activities, as the same may be amended from time to time with the agreement of the of the World Bank.


26. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated March 26, 2016, 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.

27. “Project Implementing Entity” means the FDA, established and operating pursuant to the Project Implementing Entity’s Legislation

28. “Project Implementing Entity’s Legislation” means the Recipient’s Forestry Development Authority, established and operating pursuant to the Recipient’s “Act creating the Forestry Development Authority” approved November 1, 1976, the Recipient’s National Resource Law of 1979, and the Recipient’s “Act to Amend an Act creating the Forestry Development Authority by repealing Section 16 thereof and adding thereto eight new sections” approved July 21, 1988, pursuant to which the Project Implementing Entity has been established and is operating.

29. “Project Implementing Manual” or “PIM” means the implementation manual for the Project referred to in Section I.A.1 of Schedule 2 to this Agreement, containing detailed procedures and arrangements for the Project including with respect to: (A) administrative matters; (B) procurement; (C) financial management; (D) monitoring and evaluation including indicators required therefor; (E) eligibility criteria, screening mechanisms and selection processes for Eligible Recipients, Eligible Candidates, Sub-Grants, Sub-Projects, and communities to benefit from
support under the Project; and (F) implementation arrangements and responsibilities, to ensure proper implementation of the Project and coordination among the various stakeholders, Implementing Ministries and Implementing Partners, interagency task team and service delivery partners and other selected stakeholders, as such manual may be amended from time to time with the prior written agreement of the World Bank, and such term includes any schedules and annexes of said manual.

30. “REDD+” means reducing emissions from deforestation and forest degradation, conservation of forest carbon stocks, sustainable management of forests, and enhancement of forest carbon stocks in developing countries.

31. "PFMU" means the Project Financial Management Unit within the Ministry of Finance and Development Planning to be responsible for financial management under the Project.

32. “RIU” means the Project Implementing Entity’s REDD+ Implementation Unit, established on June 12, 2012, and responsible for implementation of the Project.

33. “Safeguards Instruments” means, collectively, the ESMF, ESIAEs, ESMPs, and the PF; and “Safeguards Instrument” means any one such instrument.

34. “Scholarships” means scholarships provided for an Eligible Candidate in accordance with the selection methods, eligibility criteria, procedures, transaction, control and clearance processes, implementation mechanisms, and necessary terms of reference set forth in the PIM.


36. “Sub-Grant” means a grant to an Eligible Recipient to fund a Sub-Project, in accordance with eligibility criteria and selection processes further set forth in the PIM.

37. “Sub-Grant Agreement” means each agreement to be entered into between the Project Implementing Entity or MOA, as applicable, and an Eligible Recipient for the provision of a Sub-Grant.

38. “Sub-Project” means sub-projects funded by Sub-Grants to be carried out by Eligible Recipients under Parts 2.3 and 2.4 of the Project: (i) to produce, transform and commercialize a variety of timber and non-timber forest products and other agro and agro-forestry activities such as cocoa, rice, coffee, cassava, tree plantations for firewood and charcoal; or (ii) for agriculture-based activities such as smallholder tree crops, conservation agriculture, horticulture and lowland rice cultivation, and small scale timber and non-timber processing plants, small and
medium size processing and post-harvest, value-adding equipment and technologies.

39. "Subsidiary Agreement" means the agreement referred to in Section 1.B of Schedule 2 to this Agreement, pursuant to which the Recipient shall make the proceeds of the Grant available to the Project Implementing Entity.

40. "Targeted Landscapes" means the landscapes in the North West region (comprising Bomi, Lofa, Gbarpolu and Grand Cape Mount counties) and the South East region (comprising the south section of Grand Gedeh county, and Sinoe, Grand Kru, River Gee and Rivercess counties), and any other landscapes that may be selected in agreement with the World Bank, all as more specifically set forth in the PIM.

41. "Training" means the training provided under the Project, including seminars, workshops, knowledge sharing activities and study tours, and covers the following costs associated with such activity: local and international travel and subsistence expenditures and other travel-related allowances for training participants such as per diems and reasonable accommodation costs, 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, all based on periodic budgets acceptable to the World Bank.