Least Developed Countries Fund
Grant Agreement
(Landscape Approach to Forest Restoration and Conservation)

between

REPUBLIC OF RWANDA

and

INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT
(acting as Administrator of the Least Developed Countries Fund)

Dated October 4, 2014
AGREEMENT dated October 4, 2014, entered into between REPUBLIC OF RWANDA ("Recipient"); and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT ("World Bank"), acting as administrator of the Least Developed Countries Fund ("LDCF").

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"), with the modifications set forth in Section II of the Appendix to this 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 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 carry out the Project through Rwanda Environment Management Authority ("REMA") ("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. 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 four million, forty-five thousand United States Dollars ($4,045,000) ("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’s Legislation has been amended, suspended, abrogated, repealed or waived so as to materially and adversely affect the ability of the Project Implementing Entity to perform any of its obligations under this Agreement or under its respective Subsidiary Agreement.

(c) The World Bank has determined after the Effective Date 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.

(d) The Project Implementing Entity has failed to perform any of its obligations under the Project Agreement, the Subsidiary Agreement, the GEF Grant Agreement and any Project Agreement or Subsidiary Agreement associated with the GEF Grant Agreement.
(e) 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.

(f) 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.

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 have been duly authorized or ratified by all necessary governmental action.

(b) The GEF Grant Agreement and all conditions precedent to its effectiveness or to the right of the Recipient to make withdrawals under the Grant Agreement (other than the effectiveness of this Agreement) have been fulfilled.

(c) The Subsidiary Agreement between the Recipient and the Project Implementing Entity has been executed in accordance with the Section I.B of Schedule 2 to this Agreement.

5.02. As part of the evidence to be furnished pursuant to Section 5.01, 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 Recipient, showing: (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
5.03. Except as the Recipient and the World Bank shall otherwise agree, the Effective Date on which this Agreement shall enter into effect shall be the date upon which the World Bank dispatches to the Recipient notice of its acceptance of the evidence required pursuant to Section 5.01. 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 events have ceased to exist.

5.04. This Agreement and all obligations of the parties under it shall terminate if it has not entered into effect by the date 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 responsible for finance.

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

Ministry of Finance and Economic Planning
P. O. Box 153
Kigali
Rwanda

Facsimile:
250-57-75-81
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

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

Washington, D.C.
AGREED at Kigali, Rwanda, as of the day and year first above written.

REPUBLIC OF RWANDA

By

[Signature]

Authorized Representative

Name: Claver Gatete
Title: Minister of Finance and Economic Planning

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
(acting as administrator of the Least Developed Countries Fund)

By

[Signature]

Authorized Representative

Name: Carolyn Turk
Title: Country Manager
The objective of the Project is to demonstrate landscape management for enhanced environmental services and climate resilience in one priority landscape.

The Project consists of the following parts:

**Part A: Forest-friendly and Climate-Resilient Restoration of the Gishwati-Mukura Landscape**

1. Carrying out of a program of activities for the upgrading and management of the Gishwati and Mukura forests, such activities to include: (a) establishment of Gishwati and Mukura into a single protected area; (b) carrying out the physical demarcation of the boundaries of the single protected area; (c) restoring degraded natural habitats; (d) developing and updating management plans; (e) training and equipping eco-guards; (f) installing and constructing physical infrastructure including visitors centers, a park headquarters, viewing platforms, signed nature trails, and patrol posts; and (g) implementing environmental education programs for communities and schools.

2. Carrying out of a program of activities for the restoration of the Gishwati-Mukura forest corridor and promotion of sustainable land management practices, such activities to include: (a) carrying out of participatory sustainable land management planning with local communities; (b) establishing silvo-pastoralism in Gishwati rangelands; (c) supporting agroforestry and the re-establishment of natural forest; and (d) harmonizing land use planning for the Gishwati landscape.

3. Carrying out of a program of activities to support sustainable and resilient livelihoods activities in surrounding communities, such activities to include: (a) providing advisory services and supplying inputs, tools and equipment to community groups for the implementation of sustainable and resilient livelihoods activities; and (b) building the organizational, technical, financial and business capacity of community groups for the implementation of said livelihoods activities.

4. Carrying out of a program of activities to improve the capacity for flood forecasting and preparedness, such activities to include: (a) providing support to RMA for the maintenance and calibration of existing weather stations, integration of doppler radar equipment into rainfall forecasting systems, installation of automatic rain gauges and communication equipment for early warning system information receipt and transmission, carrying out training for improved weather and risk forecasting, and engagement with actual and potential users of weather information services; (b) providing support to RNRA for the carrying out of a hydrological modelling study for the Sebeya catchment, providing operational support for the introduction of hydrological modeling, selection and testing of hydrological models for pilot watersheds, and
installation of automated hydromet stations; and (c) providing support to MIDIMAR for the carrying out of participatory assessments of community vulnerability, and the participatory design and implementation of flood mitigation measures, communication systems, and preparedness and rescue plans.

Part B  Research, Monitoring and Management

1. Establishing a national modeling platform to map out indicators for landscape health, identify management priorities and demonstrate feasibility and benefits of restoring lost environmental and economic functions of landscapes.

2. Carrying out of comparative field-based monitoring on a range of environmental and associated economic functions to demonstrate the effectiveness of land rehabilitation techniques.

3. Establishing partnerships with key research institutions and carrying out of applied research on agreed priority topics.

4. Supporting the production and dissemination of technical notes and manuals for practitioners.

5. Financing of costs associated with Project management, monitoring and evaluation.
SCHEDULE 2

Project Execution

Section I. Institutional and Other Arrangements

A. Institutional Arrangements

Ministry of Natural Resources

1. The Ministry of Natural Resources shall be responsible for overall Project coordination and oversight.

2. The Recipient shall delegate the responsibility for day-to-day Project implementation and management to the Project Implementing Entity and shall throughout Project implementation, maintain the Project Implementing Entity with an institutional framework, functions, and resources satisfactory to the World Bank, including qualified and experienced staff in adequate numbers and terms of reference satisfactory to the World Bank.

Project Steering Committee

3. The Recipient shall not later than December 30, 2014 or such other date as may be agreed with the World Bank, establish and thereafter maintain throughout Project implementation, a Project Steering Committee (PSC) with functions satisfactory to the World Bank and with adequate resources to carry out its functions under the Project.

4. Without limitation upon the provisions of paragraph 3 of this Section, the PSC shall meet twice a year or as needed, and shall be responsible for: (i) providing overall policy and strategic guidance on the Project; (ii) approving Project investments; and (iii) approving and monitoring annual work plan and budget.

Single Project Implementation Unit

5. The Recipient shall: (a) cause the Project Implementing Entity to maintain throughout Project implementation, the Single Project Implementation Unit (SPIU) with adequate resources to carry out its responsibilities under the Project; and (b) cause the Project Implementing Entity to, not later than December 30, 2014 or such other date as may be agreed with the World Bank, appoint and thereafter maintain throughout Project Implementation, a Project Coordinator, an additional accountant and an additional procurement specialist, all with terms of reference, qualifications and experience satisfactory to the World Bank.

6. Without limitation upon the provisions of paragraph 5 of this Section, the SPIU shall be responsible for the day-to-day management and administration of the Project including financial management, procurement and monitoring and evaluation.
District Project Coordination Teams

7. The Recipient shall: (a) cause the Project Implementing Entity to not later than March 1, 2015 or such other date as may be agreed with the World Bank, establish and thereafter maintain throughout Project implementation in each District in which the Project is to be implemented, a District Project Coordination Team comprising of district level officials responsible for agriculture, environment, forestry, mines, lands and cooperative, and such other officials as may be necessary for purposes of the Project, with terms of reference satisfactory to the World Bank; and (b) cause the Project Implementing Entity to avail adequate resources to the District Project Coordination Teams to carry out their responsibilities under this Project.

8. Without limitation upon the provisions of paragraph 7 of this Section, the District Project Coordination Teams shall be responsible for District-level Project implementation, including community mobilization, liaison with District level authorities and capacity building activities.

Gishwati Integrated Landscape Planning Working Group

9. The Recipient shall cause the Project Implementing Entity to not later than May 1, 2015 or such other date as may be agreed with the World Bank, establish the Gishwati Integrated Landscape Planning Working Group with functions satisfactory to the World Bank and with adequate resources to carry out its functions under the Project.

10. Without limitation upon the provisions of paragraph 9 of this Section, the Gishwati Integrated Landscape Planning Working Group shall be responsible for integrating existing land use and development plans, and developing coordination structures going forward.

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, on grant terms, under a subsidiary agreement between the Recipient and the Project Implementing Entity ("Subsidiary Agreement"), under terms and conditions approved by the World Bank, which shall include the obligation of the Project Implementing Entity to:

(a) carry out the 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 Anti-Corruption Guidelines;

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

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 Project and the achievement of the Grant’s objectives;

(i) 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 Project; and (ii) at the World Bank’s or the Recipient’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 and the World Bank;

enable the Recipient and the World Bank to inspect the Project, its operations and any relevant records and documents; and

prepare and furnish to the Recipient and the World Bank all such information as the Recipient or the World Bank shall reasonably request relating to the foregoing.

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, or permit to be assigned, amended, abrogated, or waived, the aforementioned, or any provision thereof.

3. In the event of any conflict between the provisions of the Subsidiary Agreement and those of this Agreement, the latter shall prevail.

C. Implementation Arrangements

Project Implementation Manual

1. The Recipient shall ensure and cause the Project Implementing Entity to: (a) (i) prepare, under terms of reference satisfactory to the World Bank, and furnish to the World Bank a Project implementation manual containing detailed guidelines and procedures for the implementation of the Project, including in the areas of monitoring and evaluation, procurement, coordination, social and environmental safeguards, financial, administrative and accounting procedures, corruption and fraud mitigation measures and such other arrangements and procedures as shall be required for the Project; and (ii) thereafter adopt and carry out the Project in accordance with such Project implementation manual as shall have been
approved by the World Bank (Project Implementation Manual); and (b) except as the World Bank shall otherwise agree in writing, not amend or waive, or permit to be amended or waived any provision of the Project Implementation Manual.

2. In case of a conflict between the provisions of the Project Implementation Manual and this Agreement, those of this Agreement shall prevail.

Annual Work Plan and Budget

3. The Recipient shall ensure and cause the Project Implementing Entity to not later than May 30 of each year, prepare and furnish to the World Bank, an annual program of activities proposed for implementation under the Project during the following Fiscal Year, together with a proposed budget for the purpose.

4. The Recipient shall ensure and cause the Project Implementing Entity to exchange views with the World Bank on each such proposed annual work plan, and shall cause the Project Implementing Entity to thereafter adopt, and carry out such program of activities for such following Fiscal Year as shall have been agreed with the World Bank, as such plan may be subsequently revised during such following Fiscal Year with the prior written agreement of the World Bank (Agreed Annual Work Plan).

District Memorandum of Understanding

5. To facilitate the implementation of the Project at the District level, the Recipient shall cause the Project Implementing Entity to, not later than August 30, 2015 to enter into a memorandum of understanding with each District in which the Project is operative detailing mutual responsibilities for the implementation of the Project and detailing other terms and conditions as may be approved by the World Bank ("District Memorandum of Understanding"), such terms and conditions to include the responsibility of said District to: (i) carry out the activities 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 Project Implementation Manual and the Anti-corruption Guidelines; (ii) maintain policies and procedures adequate to enable it to monitor the progress of its activities under the Project and the achievement of the Project's objectives; (iii) enable the Recipient and the World Bank to inspect the Project activities within the District's jurisdiction, its operation and any relevant records and documents; and (iv) prepare and furnish to the Recipient and the World Bank all such information as the Recipient or the World Bank may reasonably request relating to the foregoing.

6. The Recipient shall ensure and cause the Project Implementing Entity to exercise its rights and perform its obligations under each District Memorandum of Understanding 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 Project Implementing Entity shall not assign, amend, abrogate or waive any District Memorandum of Understanding or any of its provisions.

D. Anti-Corruption

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

E. Safeguards.

1. The Recipient shall ensure and cause the Project Implementing Entity to carry out the Project in accordance with the provisions of the ESMF, the RPF, the Process Framework and the IPMF.

2. Further to Part E.1 of this Section I, the Recipient shall ensure that:

   (a) (i) all terms of reference for all studies or other technical assistance to be carried out under the Project are consistent with and pay due attention to ESMF, the RPF, the Process Framework and the IPMF, and to the Recipient’s own laws relating to the environment and social aspects; and (ii) to this end, the Recipient shall, prior to undertaking each study included in the Project: (1) prepare and furnish the terms of reference for such study to the World Bank for its review; (2) afford the World Bank a reasonable opportunity to exchange views with the Recipient on said terms of reference; and (3) promptly finalize such terms of reference as shall have been approved by the World Bank; and

   (b) where required under the ESMF, the RPF or Process Framework in respect of any of the Project activities: (i) an ESMP, ESIA, RAP and/or CRMP for said Project activity is prepared as required; (ii) each such instrument is furnished to the World Bank for its review and approval prior to the implementation of said Project activity; and (iii) each such instrument is thereafter adopted and disclosed in accordance with the provisions of the ESMF, the RPF or the Process Framework.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports; Completion Report

1. The Recipient shall ensure and cause the Project Implementing Entity 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 the indicators acceptable to the World Bank and set out in the Project Implementation Manual. Each Project Report shall cover the period of one calendar quarter, 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 ensure and cause the Project Implementing Entity to 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.

3. Without limitation upon its other reporting obligations under Paragraph 1 of this Section II.A, the Recipient shall ensure and cause the Project Implementing Entity to report, as part of the Project Report, on the status of implementation and compliance with the safeguard requirements as set out in the ESMF, the RPF, the Process Framework, the IPMF and this Agreement.

B. Financial Management; Financial Reports; Audits

1. The Recipient shall ensure that a financial management system is maintained 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 cause and ensure that Financial Statements for the Project are audited in accordance with the provisions of Section 2.07 (b) of the Standard Conditions. Each such 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 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:

the provisions of this Section III, 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").

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 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) Limited International Bidding</td>
</tr>
<tr>
<td>(b) National Competitive Bidding</td>
</tr>
<tr>
<td>(c) Direct Contracting</td>
</tr>
<tr>
<td>(d) Shopping</td>
</tr>
<tr>
<td>(e) procurement under Framework Agreements in accordance with procedures which have been found acceptable to the World Bank and set out in the PIM</td>
</tr>
<tr>
<td>(f) Procurement from UNOPs</td>
</tr>
<tr>
<td>(g) Community Participation procedures which have been found acceptable to the World Bank and set out in the PIM</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) Least Cost Selection</td>
</tr>
<tr>
<td>(c) Fixed-Budget Selection</td>
</tr>
<tr>
<td>(d) Selection Based on Consultant Qualification</td>
</tr>
<tr>
<td>(e) Single-Source Selection of consulting firms</td>
</tr>
<tr>
<td>(f) Selection of Individual Consultants</td>
</tr>
<tr>
<td>(g) Single-source procedures for the 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>Goods, works, non-consulting services, consultants' services, Training and Operating Costs under the Project</td>
<td>4,045,000</td>
<td>42%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>4,045,000</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 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 December 31, 2019.

Section V Other Undertakings

Audit Committee

The Recipient shall cause the Project Implementing Entity to not later than December 30, 2014 or such other date as may be agreed with the World Bank to appoint and thereafter maintain throughout Project implementation, an internal audit committee, with institutional framework, staffing and terms of reference satisfactory to the World Bank, and with adequate resources to carry out its responsibilities under the Project.
APPENDIX

I. Definitions

1. "Agreed Annual Work Plan" means the program of activities agreed each Fiscal Year between the Recipient and the World Bank for implementation under the Project in accordance with Section I.C.3 of Schedule 2 to this Agreement during the following Fiscal Year, as the same may be revised from time to time in accordance with said Section.


3. "Community Resource Management Plan" or "CRMP" means a plan acceptable to the World Bank prepared pursuant to the Process Framework setting out the arrangements, including related compensation measures, to be applied in the event of adverse impacts on the livelihoods of the displaced persons resulting from the involuntary restriction of access to legally designated parks and protected areas on account of the Project, and such term includes any schedules or annexes to said Plan.


5. "District Memorandum of Understanding" means with respect to each District in which the Project is operative, the memorandum of understanding acceptable to the World Bank to be entered into between REMA and said District, in accordance with the provisions of Section I.C.5 of Schedule 2 to this Agreement.

6. "District Project Coordination Team" means the Recipient’s District level Project coordination team responsible for implementing the Project at the District level and referred to in Section I.A.7 of Schedule 2 to the Agreement.

7. "ESIA" means an Environmental and Social Impact Assessment, acceptable to the World Bank, prepared pursuant to the ESMF identifying and assessing the potential environmental impacts of proposed project activities, evaluating alternatives, and designing appropriate mitigation, management, and monitoring measures; and "ESIA’s" means, collectively, all such assessments.

8. "Environmental and Social Management Plan" or "ESMP" means a plan acceptable to the World Bank, prepared pursuant to the ESMF, describing the set of mitigation, enhancement, monitoring, and institutional measures to be taken during implementation of the Project to mitigate adverse environmental and social impacts, offset them, or reduce them to acceptable levels, or to enhance positive impacts.
9. "Environmental and Social Management Framework" or "ESMF" means the Recipient’s framework, dated June 2014 adopted for this Project and setting out mitigation, enhancement, monitoring, and institutional measures, including capacity building through training, that have been identified by the Recipient and the Project Implementing Entity to eliminate any adverse environmental and social impacts of Project activities, offset them, or reduce them to acceptable levels, or enhance positive impacts, as the same may be modified from time to time with the prior written agreement of the World Bank, and such term includes any schedules or annexes to said Framework.

10. "Fiscal Year" means each fiscal year of the Recipient commencing on July 1 and ending on June 30 of the subsequent year.

11. "GEF Grant Agreement" means the agreement of same date as this Agreement between the Recipient and the World Bank, acting as an Implementing Agency of the Global Environmental Facility ("GEF"), providing a grant to the Recipient to assist in financing the Project; as such agreement may be amended from time to time. The term "GEF Grant Agreement" includes all appendices, schedules and agreements supplemental to the GEF Grant Agreement.

12. "Gishwati Integrated Landscape Planning Working Group" means the Recipient’s group referred to in Section I.A.9 of Schedule 2 to the Agreement, and comprising of representatives from MINAGRI, NAEB, RNRA, REMA, RDB, MIDIMAR, Districts and the private sector.

13. "Integrated Pest Management Framework" or "IPMF" means the Recipient’s framework dated June 2009 (updated in May 2011) and adopted for this Project and designed to address significant pest management issues including minimizing the potential adverse impacts of pesticides on human health and the environment and to advance ecologically-based integrated pest management practices.

14. "Ministry of Agriculture and Animal Resources" or "MINAGRI" means the Recipient’s ministry responsible for agriculture and animal resources.

15. "Ministry of Disaster Management and Refugee Affairs or "MIDIMAR" means the Recipient’s ministry responsible for disaster management and refugee affairs.

16. "Ministry of Natural Resources" or "MINIRENA" means the Recipient’s ministry responsible for matters relating to environment and natural resources.

17. "National Agricultural Exports Development Board" or “NAEB” means the Recipient’s agency registered under MINAGRI and responsible for the development of agricultural exports or its successor thereto.

18. "Operating Costs" means the incremental expenses incurred by the Recipient on account of Project implementation, management, and monitoring, including expenses for workshop venues; workshop materials; operation and maintenance
costs of Project vehicles and office equipment; office supplies and consumables; communication charges; per diem and travel costs for Project staff; reasonable bank charges and public awareness-related media expenses, but excluding salaries of civil/public servants.

19. “Process Framework” means the Recipient’s framework, dated June 2014, prepared for this Project and setting out the arrangements, including related compensation measures, to be applied in the event of adverse impacts on the livelihoods of the displaced persons resulting from the involuntary restriction of access to legally designated parks and protected areas on account of the Project, and such term includes any schedules or annexes to said Framework.

20. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated June 6, 2014 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.

21. “Project Coordinator” means the team leader responsible for the day-to-day implementation of the Project and referred to in Section I.A.5 of Schedule 2 to this Agreement.

22. “Project Implementation Manual” means the Project Implementation Manual in form and substance acceptable to the World Bank prepared by the Project Implementing Entity in accordance with the provisions of Section I.C.1 of Schedule 2 to this Agreement, as the same may be amended in accordance with the provisions of said Section.

23. “Project Implementing Entity” means the Rwanda Environmental Management Authority.

24. “Project Implementing Entity’s Legislation” means the Recipient’s Law No. 16/2006 of April 3, 2006 pursuant to which the Project Implementing Entity is established.

25. “Project Steering Committee” means a committee established for purposes of the Project and referred to in Section I.A.3 of Schedule 2 to this Agreement comprising the permanent secretary MINIRENA, director generals of planning in MINAGRI, RDB and MIDIMAR, representative of RNRA, mayors of each of the Districts in which the project is operative and representatives of private sector, civil society groups and local and international non-governmental organizations.

26. “Resettlement Action Plan” or “RAP” means a plan acceptable to the World Bank setting out the arrangements, including related compensation measures, to be applied in the event of the physical or economic displacement of persons affected by activities to be implemented under the Project, in accordance with the provisions of the Resettlement Policy Framework (as hereinafter defined), and such term includes any schedules or annexes to said Plan.
27. "Resettlement Policy Framework" or "RPF" means the Recipient's framework, dated June 2014, prepared for this Project and setting out the arrangements, including related compensation measures, to be applied in the event of the physical or economic displacement of persons affected by activities to be implemented under the Project, and such term includes any schedules or annexes to said Framework.

28. "Rwanda Development Board" or "RDB" means the Recipient's agency established and operating under Law No 46/2013 of 16/06/2013 and responsible for fast tracking development and promoting local and foreign investment, or its legal successor thereto.

29. "Rwanda Environmental Management Authority" or "REMA" means the Recipient's entity, established and operating pursuant to its Law No. 16/2006 of April 3, 2006, and charged with environmental management, or the legal successor thereto.

30. "Rwanda Meteorology Agency" or "RMA" means the Recipient's agency established and operating under Law No. 54bis/2011 of 14/12/2011 and responsible for meteorology, or its legal successor thereto.

31. "Rwanda Natural Resources Authority" or "RNRA" means the Recipient's agency established and operating under Law No. 53/2010 of 25/01/2011 and responsible for management of natural resources including land, water, forests, mines and geology, or its legal successor thereto.

32. "Single Project Implementation Unit" or "SPIU" means the unit within REMA responsible for the day-to-day implementation of the Project and referred to in Section I.A.5 of Schedule 2 to this Project and comprising officials responsible for finance and administration, procurement, accounting, human resource management and technical specialists.

33. "Subsidiary Agreement" means the agreement referred to in Section I.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.

34. "Training" means the costs of training under the Project, based on an annual work plan approved by the World Bank, and attributable to seminars, workshops, and study tours, along with travel and subsistence allowances for training participants, rental of training facilities, preparation and reproduction of training materials, and other activities directly related to course preparation and implementation (excluding consultant services).
II. Modifications to the Standard Conditions

The Standard Conditions are modified as follows:

1. A new definition is added in alphabetical order to the Appendix as follows (and the subsequent definitions are renumbered accordingly):

   “Legal Agreement” means either of the Grant Agreement or the agreement between the World Bank and the entity designated to be responsible for implementing the Project; and “Legal Agreements” means, collectively, both said agreements.”

2. The term “Grant Agreement”, whenever used in Sections 4.06, 5.01, 6.02, 7.04 and 7.05 of the Standard Conditions, is modified to read “Legal Agreements”.

3. The term “Grant Agreement”, whenever used in Section 5.02 of the Standard Conditions, is modified to read “any Legal Agreement”.
