

GEF TRUST FUND GRANT NUMBER TF 028371

Global Environment Facility  
Trust Fund Grant Agreement

(Regional Environmental Information Management Project)

between

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

and

Association pour le Développement de l'Information Environnementale  
dans la Sous-Région du Bassin du Congo

Dated March 24, 1998

GEF TRUST FUND GRANT NUMBER TF 028371

GLOBAL ENVIRONMENT FACILITY  
TRUST FUND GRANT AGREEMENT

AGREEMENT, dated March 24, 1998, between the INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (the Bank) acting as an implementing agency of the Global Environment Facility (GEF) in respect of grant funds provided to the GEF Trust Fund by certain members of the Bank as participants of the GEF and Association pour le Développement de l'Information Environnementale dans la Sous-Région du Bassin du Congo, a non-governmental organization registered under the laws of the Republic of Gabon (the Recipient).

WHEREAS (A) the Bank, pursuant to Resolution No. 91-5 of March 14, 1991 of the Executive Directors of the Bank, established the GEF to assist in the protection of the global environment and promote thereby environmentally sound and sustainable economic development;

(B) following the restructuring of the GEF, such arrangements are continued in place on the basis set forth in Resolution No. 94-2 of May 24, 1994, of the Executive Directors of the Bank establishing the GEF Trust Fund;

(C) the countries signatories of the Memorandum of Understanding on Cooperation in the Field of Environmental Information executed on July 3, 1997 (the Memorandum of Understanding), which are at present the Central African Republic, the Republic of the Congo, the Democratic Republic of the Congo, the Republic of Equatorial Guinea, the Republic of Gabon and the Republic of Cameroon (the Congo Basin Region Countries), having satisfied themselves as to the feasibility and priority of the Project described in Schedule 2 to this Agreement, have requested assistance from the resources of the GEF Trust Fund in the financing of the Project, and the Bank has determined that such assistance would be in accordance with the provisions of Resolution No. 94-2 referred to above;

(D) each of the Congo Basin Region Countries has addressed a letter to the Bank, requesting the Bank to make the proceeds of the GEF Trust Fund directly available to the Recipient and has undertaken, inter alia, to take all action necessary to assist the Recipient in the carrying out of its obligations under this

Agreement; and

(E) the Recipient intends to contract from the European Union (EU) a grant in the amount of four million European Currency Units (ECU 4,000,000) to assist in financing part of the Project on the terms and conditions set forth in an agreement (the EU Grant Agreement) to be entered into between the EU and the Recipient;

WHEREAS the Bank has agreed, on the basis, inter alia, of the foregoing, to extend the GEF Trust Fund Grant to the Recipient upon the terms and conditions set forth in this Agreement;

NOW THEREFORE, the parties hereto hereby agree as follows:

#### ARTICLE I

##### General Conditions; Definitions

Section 1.01. (a) The following provisions of the General Conditions Applicable to Loan and Guarantee Agreements of the Bank, dated January 1, 1985, with the modifications set forth in paragraph (b) of this Section (the General Conditions) constitute an integral part of this Agreement:

- (i) Article I;
  - (ii) Sections 2.01 (1), (2), (3), (4), (6), (8), (9), (10), (11), (15), (18) and (20), 2.02 and 2.03;
  - (iii) Section 3.01;
  - (iv) Section 4.01 and the first sentence of Section 4.09;
  - (v) Article V;
  - (vi) Sections 6.01, 6.02 (c), (e), (f), (i) and (k), 6.03, 6.04 and 6.06;
  - (vii) Section 8.01 (b);
  - (viii) Sections 9.01 (a) and (c), 9.04, 9.05, 9.06, 9.07, 9.08 and 9.09;
  - (ix) Sections 10.01, 10.03 and 10.04;
  - (x) Article XI; and
  - (xi) Sections 12.01 (c), 12.03 and 12.04.
- (b) The General Conditions shall be modified as follows:
- (i) a new paragraph shall be added to the end of Section 2.01 to read as follows: "the term "Special Drawing Rights" and the symbol "SDR" mean special drawing rights as valued by the International Monetary Fund in accordance with its Articles of Agreement";
  - (ii) the term "Bank", wherever used in the General Conditions, other than in Sections 2.01 (8) and 6.02 (f) thereof and the last use of such term in Section 5.01 thereof, means the Bank acting as an implementing agency of the GEF, except that in Section 6.02, the term "Bank" shall also include the Bank acting in its own capacity;
  - (iii) the term "Borrower", wherever used in the General Conditions, means the Recipient;
  - (iv) the term "Loan Agreement", wherever used in the General Conditions, means this Agreement;
  - (v) the term "Loan" and "loan", wherever used in the General Conditions, means the GEF Trust Fund Grant;
  - (vi) the term "Loan Account", wherever used in the General Conditions, means the GEF Trust Fund Grant Account;

(vii) The second sentence of Section 5.01 is modified to read: "Except as the Bank and the Borrower shall otherwise agree, no withdrawals shall be made: (a) on account of expenditures in the territories of any country which is not a member of the Bank or for goods produced in, or services supplied from, such territories; or (b) for the purpose of any payment to persons or entities, or for any import of goods, if such payment or import, to the knowledge of the Bank, is prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations.";

(viii) a new subparagraph is added after subparagraph (j) in Section 6.02 of the General Conditions, as follows: "an extraordinary situation shall have arisen in which any further disbursement under the GEF Trust Fund Grant would exceed the resources available for disbursement from the GEF.";

(ix) the first sentence of Section 10.01 is deleted; and

(x) Section 10.04 is modified to read: "Any dispute arising out of or relating to this Agreement which is not settled by agreement between the parties shall be finally settled by arbitration in accordance with the UNCITRAL Arbitration Rules in force on the date of this Agreement. The place of arbitration shall be Washington, D.C. In the event of a conflict between the UNCITRAL Arbitration Rules and the terms of this Agreement, the terms of this Agreement shall govern."

Section 1.02. Wherever used in this Agreement, unless the context otherwise requires, the several terms defined in the General Conditions and in the Recitals to this Agreement have the respective meanings therein set forth, and the following additional terms have the following meanings:

(a) "Implementation Agreement" means any of the agreements to be entered into between the Recipient and a National Management Unit (as hereinafter defined) or an Implementing Agency (as hereinafter defined) pursuant to paragraph (c) of Section 3.01 of this Agreement;

(b) "Implementing Agency" means any of the agencies or entities in any of the Congo Basin Region Countries with execution responsibilities in the field of environmental information management, which shall have been selected by the Recipient for the purpose of carrying out a Subproject (as hereinafter defined) pursuant to an Implementation Agreement;

(c) "Manual of Procedures" means the manual, satisfactory to the Bank, to be issued pursuant to the provisions of paragraph 2 of Schedule 4 to this Agreement, containing, inter alia, the operating procedures for the execution of the Project, the criteria for selecting Implementing Agencies and eligibility of Subprojects and the model form of Implementation Agreements, as the same may be amended from time to time, and such term includes any schedules to the Manual of Procedures;

(d) "National Management Team" means a team of professionals, including a coordinator and related staff at the national level, charged with responsibilities in the implementation of Project-related activities and with the administrative coordination among Implementing Agencies;

(e) "Special Account" means the account referred to in Section 2.02 (b) of this Agreement;

(f) "Subproject" means an activity to be implemented by an Implementing Agency or a National Management Team under an Implementation Agreement.

## ARTICLE II

### The GEF Trust Fund Grant

Section 2.01. The Bank agrees to make available to the Recipient, on the terms and conditions set forth or referred to in this Agreement, the GEF Trust Fund Grant in an amount in various currencies equivalent to two million nine hundred seventy thousand Special Drawing Rights (SDR 2,970,000).

Section 2.02. (a) The amount of the GEF Trust Fund Grant may be withdrawn from

the GEF Trust Fund Grant Account in accordance with the provisions of Schedule 1 to this Agreement: (i) for expenditures made (or, if the Bank shall so agree, to be made) in respect of the reasonable cost of goods and services required for carrying out the Project and to be financed out of the proceeds of the GEF Trust Fund Grant; and (ii) amounts paid (or if the Bank shall so agree, to be paid) on account of withdrawals made for the benefit of an Implementing Agency under a Subproject the reasonable cost of eligible expenditures related to such Subproject and in respect of which the withdrawal from the GEF Trust Fund Grant Account is requested.

(b) The Recipient may, for the purposes of the Project, open and maintain in CFA Francs a special deposit account in a commercial bank on terms and conditions satisfactory to the Bank, including appropriate protection against set off, seizure or attachment. Deposits into, and payments out of, the Special Account shall be made in accordance with the provisions of Schedule 5 to this Agreement.

Section 2.03. The Closing Date shall be June 30, 2003 or such later date as the Bank shall establish. The Bank shall promptly notify the Recipient of such later date.

### ARTICLE III

#### Execution of the Project

Section 3.01. (a) The Recipient declares its commitment to the objectives of the Project as set forth in Schedule 2 to this Agreement and, to this end, shall carry out the Project with due diligence and efficiency and in conformity with appropriate administrative, financial and managerial practices and with due regard to ecological and environmental factors and applicable international guidelines in the field of environment, and shall provide, promptly as needed, the funds, facilities, services and other resources required for the Project.

(b) Without limitation upon the provisions of paragraph (a) of this Section and except as the Recipient and the Bank shall otherwise agree, the Recipient shall carry out the Project in accordance with the Implementation Program set forth in Schedule 4 to this Agreement.

(c) Without limitation upon the provisions of paragraph (a) of this Section and except as the Recipient and the Bank shall otherwise agree, the Recipient shall enter into Implementation Agreements with each Implementing Agency or National Management Team which shall have been selected by the Recipient to carry out project activities on terms and conditions satisfactory to the Bank, including those set forth in Schedule 4 to this Agreement.

(d) The Recipient shall exercise its rights under each Implementing Agreement in such manner as to protect the interests of the Recipient and the Bank and to accomplish the purposes of this Agreement and, except as the Bank shall otherwise agree, shall not assign, amend, abrogate or waive such Implementing Agreement or any provisions thereof.

Section 3.02. Except as the Bank shall otherwise agree, procurement of the goods and consultants' services required for the Project and to be financed out of the proceeds of the GEF Trust Fund Grant shall be governed by the provisions of Schedule 3 to this Agreement.

Section 3.03. For the purposes of Section 9.08 of the General Conditions and without limitation thereto, the Recipient shall:

(a) prepare, on the basis of guidelines acceptable to the Bank, and furnish to the Bank not later than six months after the Closing Date or such later date as may be agreed for this purpose between the Recipient and the Bank, a plan designed to ensure the sustainability of the Project; and

(b) afford the Bank a reasonable opportunity to exchange views with the Recipient on said plan.

### ARTICLE IV

#### Financial Conditions

Section 4.01. (a) The Recipient shall maintain or cause to be maintained records and accounts adequate to reflect in accordance with sound accounting practices the operations, resources and expenditures in respect of the Project of the departments or

agencies of the Recipient responsible for carrying out the Project or any part thereof.

(b) The Recipient shall:

- (i) have the records and accounts referred to in paragraph (a) of this Section, including those for the Special Account, for each fiscal year audited, in accordance with appropriate auditing principles consistently applied, by independent auditors acceptable to the Bank;
- (ii) furnish to the Bank as soon as available, but in any case not later than four months after the end of each such year, the report of such audit by said auditors, of such scope and in such detail as the Bank shall have reasonably requested; and
- (iii) furnish to the Bank such other information concerning said records and accounts and the audit thereof as the Bank shall from time to time reasonably request.

(c) For all expenditures with respect to which withdrawals from the GEF Trust Fund Grant Account were made on the basis of statements of expenditure, the Recipient shall:

- (i) maintain or cause to be maintained, in accordance with paragraph (a) of this Section, records and accounts reflecting such expenditures;
- (ii) retain, until at least one year after the Bank has received the audit report for the fiscal year in which the last withdrawal from the GEF Trust Fund Grant Account was made, all records (contracts, orders, invoices, bills, receipts and other documents) evidencing such expenditures;
- (iii) enable the Bank's representatives to examine such records; and
- (iv) ensure that such records and accounts are included in the annual audit referred to in paragraph (b) of this Section and that the report of such audit contains a separate opinion by said auditors as to whether the statements of expenditure submitted during such fiscal year, together with the procedures and internal controls involved in their preparation, can be relied upon to support the related withdrawals.

#### ARTICLE V

##### Other Covenants

Section 5.01. The Recipient shall take out and maintain with responsible insurers or make other provision satisfactory to the Bank for insurance against such risks and in such amounts as shall be consistent with appropriate practice.

Section 5.02. The Recipient shall carry on its operations and conduct its affairs in accordance with sound administrative, financial, technical and environmental practices under the supervision of qualified and experienced management assisted by competent staff in adequate numbers.

Section 5.03. The Recipient shall at all times operate and maintain its equipment and other property, and from time to time, promptly as needed, make necessary repairs and renewals thereof, all in accordance with sound engineering, financial, technical and environmental practices.

#### ARTICLE VI

##### Remedies of the Bank

Section 6.01. Pursuant to Section 6.02 (k) of the General Conditions, the following additional events are specified:

(a) Any of the Congo Basin Region Countries shall have taken any action for the dissolution of the Recipient or the suspension of its operations.

(b) Any of the Congo Basin Region Countries shall have taken any action which, in the opinion of the Bank, may adversely affect, prevent or interfere with the carrying out of the Project or any part thereof, or the achievement of its objectives, including, without limitation, the enactment or issuance of legislation or regulations with such effect.

(c) Any of the Congo Basin Region Countries shall have failed to afford a reasonable opportunity for representatives of the Bank to visit any part of their territory for purposes related to the Project, in accordance with the terms and conditions of the relevant Implementation Agreements.

(d) The Recipient shall have become unable to pay its debts as they mature or any action or proceeding shall have been taken by the Recipient or by any others whereby any of the assets of the Recipient shall or may be distributed among its creditors.

(e) The right of the Recipient to withdraw the proceeds of the EU Agreement for the financing of the Project shall have been suspended, canceled or terminated in whole or in part, pursuant to the terms of the EU Agreement, unless the Recipient establishes to the satisfaction of the Bank that: (i) such suspension, cancellation, termination is not caused by the failure of the Recipient to perform any of its obligations under such agreement; and (ii) adequate funds for the Project are available to the Recipient from other sources on terms and conditions consistent with the obligations of the Recipient under this Agreement.

#### ARTICLE VII

##### Effectiveness, Termination

Section 7.01. The following events are specified as additional conditions to the effectiveness of this Agreement within the meaning of Section 12.01 (c) of the General Conditions:

(a) the EU Agreement has been executed and delivered between the Recipient and the European Union for the financing of project activities in the field of environmental information management, on terms and conditions satisfactory to the Bank; and

(b) the Manual of Procedures has been approved by the Bank and adopted by the Recipient.

Section 7.02. The date one hundred and twenty (120) days after the date of this Agreement is hereby specified for the purposes of Section 12.04 of the General Conditions.

Section 7.03. This Agreement shall continue in effect until the GEF Trust Fund Grant has been fully disbursed and the parties to this Agreement have fulfilled all their obligations hereunder.

#### ARTICLE VIII

##### Representative of the Recipient; Addresses

Section 8.01. The Regional Coordinator of the Recipient is designated as representative of the Recipient for the purposes of Section 11.03 of the General Conditions.

Section 8.02 The following addresses are specified for the purposes of Section 11.01 of the General Conditions:

For the Recipient:

Association pour le Développement de l'Information  
Environnementale dans la Sous-Region du Bassin du Congo  
Boite Postale 4080  
Libreville  
Gabon

E-Mail: prgie\_urgc@compuserve.com

For the Bank:

International Bank for  
Reconstruction and Development  
1818 H Street, N.W.  
Washington, D.C. 20433  
United States of America

Cable address:                      Telex:  
  
   INTBAFRAD                      248423 (MCI)  
   Washington, D.C.                      64145 (MCI)

IN WITNESS WHEREOF, the parties hereto, acting through their duly authorized representatives, have caused this Agreement to be signed in their respective names in Washington, D.C., U.S.A., as of the day and year first above written.

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

By /s/ Jean-Louis Sarbib

Regional Vice President  
Africa

ASSOCIATION POUR LE DEVELOPPEMENT DE  
L'INFORMATION ENVIRONNEMENTALE DANS  
LA SOUS-REGION DU BASSIN DU CONGO

By /s/ Mamiah Jean Roger

Authorized Representative

#### SCHEDULE 1

#### Withdrawal of the Proceeds of the GEF Trust Fund Grant

1. The table below sets forth the Categories of items to be financed out of the proceeds of the GEF Trust Fund Grant, the allocation of the amounts of the GEF Trust Fund Grant to each Category and the percentage of expenditures for items so to be financed in each Category:

Category	Amount of the GEF Trust Fund Grant Allocated (Expressed in SDR Equivalent)	% of Expenditures to be Financed
(1) Goods and vehicles	220,000	100% of foreign expenditures and 90% of local expenditures
(2) Consultants' services and training	360,000	100%
(3) Aerial photographs and satellite images	800,000	100%
(4) Recipient's Operating costs	1,300,000	100%
(5) Unallocated	290,000	
TOTAL	2,970,000	

2. For the purposes of this Schedule:

(a) the term "foreign expenditures" means expenditures in the currency of any country other than that of any of the Congo Basin Region Countries for goods or

services supplied from the territory of any country other than that of any of the Congo Basin Region Countries;

(b) the term "local expenditures" means expenditures in the currency of any of the Congo Basin Region Countries or for goods or services supplied from the territory of any of the Congo Basin Region Countries; provided, however, that if the currency of any of the Congo Basin Region Countries is also that of another country which is not one of the Congo Basin Region Countries from the territory of which goods or services are supplied, expenditures in such currency for such goods or services shall be deemed to be "foreign expenditures"; and

(c) "Recipient's operating costs" means expenditures required for mission travel and allowances for the Recipient's staff, telecommunications, purchase and maintenance of office equipment, vehicles, supplies and audit.

3. Notwithstanding the provisions of paragraph 1 above, no withdrawals shall be made: (a) in respect of payments made for expenditures prior to the date of this Agreement; and (b) in respect of a Subproject, unless the corresponding Implementation Agreement has been concluded in accordance with procedures and on the terms and conditions set forth or referred to in this Agreement.

4. The Bank may require withdrawals from the GEF Trust Fund Grant Account to be made on the basis of statements of expenditure for expenditures for goods, works and services under contracts costing less than \$50,000 equivalent, under such terms and conditions as the Bank shall specify by notice to the Recipient.

5. If the Bank shall have determined at any time that any payment made from the GEF Trust Fund Grant Account was used for any expenditure not consistent with the provisions of this Agreement, the Recipient shall, promptly upon notice from the Bank, refund to the Bank for deposit into the GEF Trust Fund Grant Account, an amount equal to the amount so used or the portion thereof as specified by the Bank.

## SCHEDULE 2

### Description of the Project

The objectives of the Project are to improve and strengthen the management and planning of natural resources and their utilization in the Congo Basin Region Countries.

The Project consists of the following parts, subject to such modifications thereof as the Recipient and the Bank may agree upon from time to time to achieve such objectives:

#### Part A: Network Creation

Carrying out of Subprojects in order to foster involvement of decision makers in the utilization of environmental information, aiming at a full utilization of such information, through: (a) increasing the availability of information and strengthening the dissemination structures by establishing documentation centers and catalogs of databases; (b) developing a framework to integrate and promote the utilization of the results of the analysis of environmental information and natural resource management practices; (c) carrying out of workshops at the national and local levels, based on participatory approaches; and (d) improvement of the communication facilities, including provision of basic telephone facilities and internet connectivity in selected areas of the Congo Basin Region Countries.

#### Part B: Assistance to Decision-Making and Improvement of Communication tools

1. Carrying out of Subprojects for the development of reliable information database on natural resources and biological diversity.

2. Carrying out of Subprojects for the dissemination of the information generated in paragraph 1 above to local populations, national decision makers and the public at large.

#### Part C: Generation of Information and Decision-Making Products

Carrying out of Subprojects for the enhancement and development of information tools related to rural and peri-urban land planning of natural resource utilization, through: (a) generating topographical and land cover maps, remote sensing products, thematic maps and georeferenced databases; (b) developing planning tools including

land use zoning, forest and biodiversity management plans and coastal risk mitigation plans; and (c) developing monitoring tools in order to track environmental degradation.

Part D: National Capacity Building.

1. Carrying out of Subprojects for training, provision of technical assistance, transfer of technology and upgrading of equipment, as appropriate, in the Congo Basin Region Countries.

2. Carrying out of Subprojects for the establishment of Centers of Excellence in each country devoted to important subjects of common interest for the sub-region, such as biodiversity, forestry, peri-urban and coastal environmental issues.

Part E: Project Management.

Provision of technical assistance to the Recipient in the carrying out of the Project.

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The Project is expected to be completed by December 31, 2002.

### SCHEDULE 3

#### Procurement and Consultants' Services

Section I. Procurement of Good and Works

Part A: General

Goods, aerial photographs and satellite images shall be procured in accordance with the provisions of Section I of the "Guidelines for Procurement under IBRD Loans and IDA Credits" published by the Bank in January 1995 and revised in January and August 1996 (the Guidelines) and the following provisions of Section I of this Schedule.

Part B: International Competitive Bidding

Except as otherwise provided in Part C of this Section, goods, aerial photographs and satellite images shall be procured under contracts awarded in accordance with the provisions of Section II of the Guidelines and paragraph 5 of Appendix 1 thereto.

Part C: Other Procurement Procedures

1. Limited International Bidding

Goods, aerial photographs and satellite images estimated to cost less than \$400,000 equivalent per contract, up to an aggregate amount not to exceed \$1,100,000 equivalent, may be procured under contracts awarded in accordance with the provisions of paragraph 3.2 of the Guidelines, provided that the Bank agrees that such goods, aerial photographs and satellite images can only be purchased from a limited number of suppliers.

2. National Competitive Bidding

Goods, aerial photographs and satellite images estimated to cost less than \$100,000 equivalent per contract, up to an aggregate amount not to exceed \$100,000 equivalent, may be procured under contracts awarded in accordance with the provisions of paragraphs 3.3 and 3.4 of the Guidelines.

3. International and National Shopping

Goods, aerial photographs and satellite images estimated to cost less than \$30,000 equivalent per contract, up to an aggregate amount not to exceed \$1,000,000 equivalent, may be procured under contracts awarded on the basis of international and national shopping procedures in accordance with the provisions of paragraphs 3.5 and 3.6 of the Guidelines.

Part D: Review by the Bank of Procurement Decisions

1. Procurement Planning

Prior to the issuance of any invitations to bid for contracts, the proposed procurement plan for the Project, which shall be included in the Yearly Work Plan referred to under paragraph 3 of Schedule 4, shall be furnished to the Bank for its review and approval, in accordance with the provisions of paragraph 1 of Appendix 1 to the Guidelines. Procurement of all goods, aerial photographs and satellite images shall be undertaken in accordance with such procurement plan as shall have been approved by the Bank, and with the provisions of said paragraph 1.

2. Prior Review

(a) With respect to each contract for goods, aerial photographs and satellite images estimated to cost the equivalent of \$100,000 or more, the procedures set forth in paragraphs 2 and 3 of Appendix 1 to the Guidelines shall apply.

3. Post Review

With respect to each contract not governed by paragraph 2 of this Part, the procedures set forth in paragraph 4 of Appendix 1 to the Guidelines shall apply.

Section II. Employment of Consultants

Part A: General

Consultants' services shall be procured in accordance with the provisions of the Introduction and Section IV of the "Guidelines: Selection and Employment of Consultants by World Bank Borrowers" published by the Bank in January 1997 (the Consultant Guidelines) and the following provisions of Section II of this Schedule.

Part B: Quality- and Cost-based Selection

Except as otherwise provided in Part C of this Section, consultants' services shall be procured under contracts awarded in accordance with the provisions of Section II of the Consultant Guidelines, paragraph 3 of Appendix 1 thereto, Appendix 2 thereto, and the provisions of paragraphs 3.13 through 3.18 thereof applicable to quality- and cost-based selection of consultants.

Part C: Other Procedures for the Selection of Consultants

1. Least-cost Selection

Services for the financial audits required under the Grant Agreement may be procured under contracts awarded in accordance with the provisions of paragraphs 3.1 and 3.6 of the Consultant Guidelines.

2. Individual Consultants

Services for tasks that meet the requirements set forth in paragraph 5.01 of the Consultant Guidelines shall be procured under contracts awarded to individual consultants in accordance with the provisions of paragraphs 5.1 through 5.3 of the Consultant Guidelines.

Part D: Review by the Bank of the Selection of Consultants

1. Selection Planning

Prior to the issuance to consultants of any requests for proposals, the proposed plan for the selection of consultants under the Project shall be furnished to the Bank for its review and approval, in accordance with the provisions of paragraph 1 of Appendix 1 to the Consultant Guidelines. Selection of all consultants' services shall be undertaken in accordance with such selection plan as shall have been approved by the Bank, and with the provisions of said paragraph 1.

2. Prior Review

(a) With respect to each contract for the employment of consulting firms estimated to cost the equivalent of \$100,000 or more, the procedures set forth in paragraphs 1, 2 (other than the third subparagraph of paragraph 2(a)) and 5 of Appendix 1 to the Consultant Guidelines shall apply.

(b) With respect to each contract for the employment of consulting firms estimated to cost the equivalent of \$50,000 or more, but less than the equivalent of \$100,000, the procedures set forth in paragraphs 1, 2 (other than the second subparagraph of paragraph 2(a)) and 5 of Appendix 1 to the Consultant Guidelines shall apply.

(c) With respect to each contract for the employment of individual consultants estimated to cost the equivalent of \$25,000 or more, the qualifications, experience, terms of reference and terms of employment of the consultants shall be furnished to the Bank for its prior review and approval. The contract shall be awarded only after said approval shall have been given.

3. Post Review

With respect to each contract not governed by paragraph 2 of this Part, the procedures set forth in paragraph 4 of Appendix 1 to the Consultant Guidelines shall apply.

SCHEDULE 4

Implementation Program

1. Recipient's Personnel.

The Recipient shall maintain a Project Unit headed by a regional coordinator whose qualifications and experience shall be satisfactory to the Bank and shall include other qualified professional and support staff in adequate numbers as shall be required for the effective implementation of the Project.

2. Manual of Procedures

(a) The Project shall be executed in accordance with the provisions of a Manual of Procedures approved by the Bank.

(b) The Manual of Procedures shall contain, inter alia: (i) the procedures for the carrying out of procurement activities by the Recipient; (ii) the procedures for financial monitoring of the Project; (iii) the procedures for financial reporting to the Bank; (iv) the detailed criteria for the selection of Subprojects and of the Implementing Agencies or National Management Teams to be charged with their implementation; (v) a model Implementation Agreement; (vi) the procedures for review and approval of annual work programs; and (vii) the procedures for periodical reviews of the Project to be undertaken jointly with the Bank pursuant to paragraph 6 of this Schedule.

(c) The Recipient shall not amend or waive such Manual of Procedures without the prior written approval of the Bank.

3. Annual work programs.

The Recipient shall submit, not later than September 30 of each year during the duration of this Agreement, an annual work program for the implementation of project activities. Such annual work program shall contain, inter alia, the activities proposed to be carried out in each of the Congo Basin Region Countries, and shall be subject to review and approval by the Bank. Following approval of the annual work program by the Bank, the recipient shall formally adopt it and implement all project activities in accordance thereto. Modifications of the annual work program shall require the prior written approval of the Bank.

4. Eligibility Criteria for Subprojects.

Without limitation to all other provisions of this Agreement, unless the Bank shall otherwise agree, no Subproject shall be eligible for financing out of the proceeds of this Agreement unless the Recipient has determined, on the basis of an appraisal conducted in accordance with the guidelines set forth in the Manual of Procedures, that the Subproject satisfies the eligibility criteria specified below and in more detail in the Manual of Procedures, which shall include, inter alia, the following:

(a) with respect to the location of the project activities, in order for Subproject activities to be financed out of the proceeds of the GEF Trust Fund Grant in a given country, it shall be required that such country shall have signed and ratified the Memorandum of Understanding and addressed a letter to the Bank requesting the Bank to make available the proceeds of this Agreement directly to the Recipient; and

(b) with respect to the nature and scope of the Subproject activities: (i) the nature of the Subproject activities shall be fully coherent with the objectives of the Memorandum of Understanding and with the Project objectives contained in Schedule 2 to this Agreement; and (ii) the scope and budget of the Subproject activities shall be consistent with that contained in the approved annual work program.

5. Terms and conditions of Implementing Agreements.

Subprojects shall be carried out pursuant to Implementation Agreements, to be concluded between the Recipient and Implementing Agencies or National Management Teams, under terms and conditions satisfactory to the Bank, which shall include, inter alia, the following:

(a) financing will be on a grant basis;

(b) the obligation to carry out the Subproject in accordance with the Manual of Procedures, with due diligence and efficiency and in accordance with sound environmental, technical, financial and managerial standards and to maintain adequate records to reflect, in accordance with sound accounting practices, the operations, resources and expenditures in respect of the Subproject;

(c) the requirement that: (i) the goods and services to be financed from the proceeds of the Implementation Agreement shall be procured in accordance with the provisions of Schedule 3 to this Agreement; and (ii) such goods and services shall be used exclusively in the carrying out of the Subproject;

(d) the right of the Recipient to inspect, by itself, or jointly with the Bank, if the Bank shall so request, the goods and services included in the Subproject and any relevant records and documents, subject to any restriction agreed between the Bank and the Recipient concerning the territory of any of the Congo Basin Region Countries;

(e) the right of the Recipient to obtain all information as the recipient or the Bank shall reasonably request regarding the administration, operations and financial conditions of the Subproject; and

(f) the right of the Recipient to suspend or terminate the right of the Implementing Agency or National Management Team to use the proceeds of the Implementation Agreement upon failure of the Implementing Agency or National Management team to perform any of their obligations under the Implementation Agreement.

6. Project Reviews

The Recipient shall:

(a) maintain policies and procedures adequate to enable it to monitor and evaluate on an ongoing basis, in accordance with indicators satisfactory to the Bank,

the carrying out of the Project and the achievement of the objectives thereof;

(b) undertake, in conjunction with the Bank, yearly reviews of the progress of the Project, based on reports prepared in a format satisfactory to the Bank and submitted quarterly during the execution of the Project;

(c) prepare, under terms of reference satisfactory to the Bank, and furnish to the Bank, on or about March 31, 2001, a report integrating the results of the monitoring and evaluation activities performed pursuant to paragraph (a) of this Section, on the progress achieved in the carrying out of the Project during the period preceding the date of said report and setting out the measures recommended to ensure the efficient carrying out of the Project and the achievement of the objectives thereof during the period following such date; and

(d) review with the Bank, by June 30, 2001, or such later date as the Bank shall request, the report referred to in paragraph (c) of this Section, and, thereafter, take all measures required to ensure the efficient completion of the Project and the achievement of the objectives thereof, based on the conclusions and recommendations of the said report and the Bank's views on the matter.

#### SCHEDULE 5

##### Special Account

1. For the purposes of this Schedule:

(a) the term "eligible Categories" means the Categories set forth in the table in paragraph 1 of Schedule 1 to this Agreement.

(b) the term "eligible expenditures" means expenditures in respect of the reasonable cost of goods and services required for the Project and to be financed out of the proceeds of the GEF Trust Fund Grant allocated from time to time to the eligible Categories in accordance with the provisions of Schedule 1 to this Agreement; and

(c) the term "Authorized Allocation" means an amount equivalent to CFA Francs 150,000,000 to be withdrawn from the GEF Trust Fund Grant Account and deposited into the Special Account pursuant to paragraph 3 (a) of this Schedule, provided, however, that unless the Bank shall otherwise agree, the Authorized Allocation shall be limited to an amount equivalent to CFA Francs 75,000,000, until the aggregate amount of withdrawals from the GEF Trust Fund Grant Account plus the total amount of all outstanding special commitments entered into by the Bank pursuant to Section 5.02 of the General Conditions shall be equal to or exceed the equivalent of SDR 1,300,000.

2. Payments out of the Special Account shall be made exclusively for eligible expenditures in accordance with the provisions of this Schedule.

3. After the Bank has received evidence satisfactory to it that the Special Account has been duly opened, withdrawals of the Authorized Allocation and subsequent withdrawals to replenish the Special Account shall be made as follows:

(a) For withdrawals of the Authorized Allocation, the Recipient shall furnish to the Bank a request or requests for deposit into the Special Account of an amount or amounts which do not exceed the aggregate amount of the Authorized Allocation. On the basis of such request or requests, the Bank shall, on behalf of the Recipient, withdraw from the GEF Trust Fund Grant Account and deposit into the Special Account such amount or amounts as the Recipient shall have requested.

(b) (i) For replenishment of the Special Account, the Recipient shall furnish to the Bank requests for deposits into the Special Account at such intervals as the Bank shall specify.

(ii) Prior to or at the time of each such request, the Recipient shall furnish to the Bank the documents and other evidence required pursuant to paragraph 4 of this Schedule for the payment or payments in respect of which replenishment is requested. On the

basis of each such request, the Bank shall, on behalf of the Recipient, withdraw from the GEF Trust Fund Grant Account and deposit into the Special Account such amount as the Recipient shall have requested and as shall have been shown by said documents and other evidence to have been paid out of the Special Account for eligible expenditures. All such deposits shall be withdrawn by the Bank from the GEF Trust Fund Grant Account under the respective eligible Categories, and in the respective equivalent amounts, as shall have been justified by said documents and other evidence.

4. For each payment made by the Recipient out of the Special Account, the Recipient shall, at such time as the Bank shall reasonably request, furnish to the Bank such documents and other evidence showing that such payment was made exclusively for eligible expenditures.

5. Notwithstanding the provisions of paragraph 3 of this Schedule, the Bank shall not be required to make further deposits into the Special Account:

(a) if, at any time, the Bank shall have determined that all further withdrawals should be made by the Recipient directly from the GEF Trust Fund Grant Account in accordance with the provisions of Article V of the General Conditions and paragraph (a) of Section 2.02 of this Agreement;

(b) if the Recipient shall have failed to furnish to the Bank, within the period of time specified in Section 4.01 (b) (ii) of this Agreement, any of the audit reports required to be furnished to the Bank pursuant to said Section in respect of the audit of the records and accounts for the Special Account;

(c) if, at any time, the Bank shall have notified the Recipient of its intention to suspend in whole or in part the right of the Recipient to make withdrawals from the GEF Trust Fund Grant Account pursuant to the provisions of Section 6.02 of the General Conditions; or

(d) once the total unwithdrawn amount of the GEF Trust Fund Grant allocated to the eligible Categories, minus the total amount of all outstanding special commitments entered into by the Bank pursuant to Section 5.02 of the General Conditions with respect to the Project, shall equal the equivalent of twice the amount of the Authorized Allocation.

Thereafter, withdrawal from the GEF Trust Fund Grant Account of the remaining unwithdrawn amount of the GEF Trust Fund Grant allocated to the eligible Categories shall follow such procedures as the Bank shall specify by notice to the Recipient. Such further withdrawals shall be made only after and to the extent that the Bank shall have been satisfied that all such amounts remaining on deposit in the Special Account as of the date of such notice will be utilized in making payments for eligible expenditures.

6. (a) If the Bank shall have determined at any time that any payment out of the Special Account: (i) was made for an expenditure or in an amount not eligible pursuant to paragraph 2 of this Schedule; or (ii) was not justified by the evidence furnished to the Bank, the Recipient shall, promptly upon notice from the Bank: (A) provide such additional evidence as the Bank may request; or (B) deposit into the Special Account (or, if the Bank shall so request, refund to the Bank) an amount equal to the amount of such payment or the portion thereof not so eligible or justified. Unless the Bank shall otherwise agree, no further deposit by the Bank into the Special Account shall be made until the Recipient has provided such evidence or made such deposit or refund, as the case may be.

(b) If the Bank shall have determined at any time that any amount outstanding in the Special Account will not be required to cover further payments for eligible expenditures, the Recipient shall, promptly upon notice from the Bank, refund to the Bank such outstanding amount.

(c) The Recipient may, upon notice to the Bank, refund to the Bank all or any

portion of the funds on deposit in the Special Account.

(d) Refunds to the Bank made pursuant to paragraphs 6 (a), (b) and (c) of this Schedule shall be credited to the GEF Trust Fund Grant Account for subsequent withdrawal or for cancellation in accordance with the relevant provisions of this Agreement, including the General Conditions.

