Global Environment Facility
Grant Agreement

(Renewable Energy Scale-up Program – Phase II)

between

PEOPLE'S REPUBLIC OF CHINA

and

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

Dated November 27, 2013
AGREEMENT dated November 27, 2013, entered into between:

PEOPLE’S REPUBLIC OF CHINA ("Recipient"); and

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT ("World Bank"), acting as an implementing agency of the Global Environment Facility ("GEF").

The Recipient and the World Bank hereby agree as follows:

Article I
Standard Conditions; Definitions


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 the Appendix to this Agreement.

Article II
The Project

2.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall carry out the Project through the National Energy Administration in accordance with the provisions of Article II of the Standard Conditions.

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 twenty seven million two hundred eighty thousand Dollars ($27,280,000) ("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 donor 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 donor 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 Event of Suspension referred to in Section 4.02 (k) of the Standard Conditions consists of the following, namely, that 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 following condition has been satisfied, namely, that the execution and delivery of this Agreement on behalf of the Recipient have been duly authorized or ratified by all necessary governmental action.

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 Member Country, showing the following matter, namely, on behalf of the Recipient, that this Agreement has been duly authorized or ratified by the
Recipient and executed and delivered on its behalf and is legally binding upon it 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. 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.

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

Ministry of Finance
Sanlihe
Beijing 100820
China

Facsimile:
86-10-6855-1125

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

International Bank for Reconstruction and Development
1818 H Street, N.W.
Washington, D.C. 20433
United States of America
AGREED at Beijing, China, as of the day and year first above written.

PEOPLE'S REPUBLIC OF CHINA

By

Authorized Representative

Name: Liang Ziqian
Title: Deputy Director General, International Department, Ministry of Finance

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

By

Authorized Representative

Name: Klaus Rohland
Title: Country Director, China
SCHEDULE 1

Project Description

The objective of the Project is to support the ambitious renewable energy scale-up program in China, with a focus on efficiency improvement and reduction of incremental costs.

The Project consists of the following parts:

1. **Policy Support**

   Carrying out of policy studies in relation to development and implementation of renewable energy legislation and policy in support of the Recipient’s Twelfth and Thirteenth Five-Year Plans.

2. **Grid Integration / Access and Technical Design**

   Carrying out of targeted technical studies and/or Subprojects in relation to:

   (a) improvement of grid integration of large-scale grid-connected renewable energy and of grid access for distributed renewable energy; and

   (b) strategic and optimal deployment of key renewable energy technologies for efficiency enhancement and cost reduction.

3. **Technology Improvement**

   Carrying out of studies, technology improvements, and/or Subprojects for efficiency enhancement, cost reduction, and quality improvement of key renewable energy technologies, such as wind and solar power.

4. **Pilot Demonstration**

   Acquisition of technical assistance (including for carrying out of studies) and/or carrying out of Subprojects in relation to the piloting of:

   (a) scale-up of renewable energy and optimization of wind in power systems; and

   (b) renewable energy distributed generation in selected new energy demonstration cities and, possibly, selected green demonstration counties.
5. **Capacity Building, Investment Support, and Project Management**

(a) Acquisition of technical assistance (including for carrying out of studies and training) and/or carrying out of Subprojects for: (i) capacity building of key stakeholders in relation to renewable energy policies and technologies; and (ii) provision of support to renewable energy investors through the development of innovative investment pipelines.

(b) Project management, implementation, and monitoring and evaluation and Project-related donor coordination.
SCHEDULE 2

Project Execution

Section I. Institutional and Other Arrangements

A. Institutional Arrangements

1. The Recipient shall be responsible for the management, implementation, and monitoring and evaluation of the Project through the National Energy Administration.

2. To this end, the Recipient shall maintain, through the National Energy Administration, throughout Project implementation, the following entities with an institutional framework, functions, a composition, and resources satisfactory to the World Bank:

   (a) the Project Steering Committee, which shall be responsible for the provision of policy and strategic guidance to and inter-agency coordination in relation to the Project; and

   (b) the Project Management Office, which shall be responsible for the management, implementation, and monitoring and evaluation of the Project.

3. The Recipient shall establish, through the National Energy Administration, not later than two (2) months after the Effective Date, the Project Steering Committee, with an institutional framework, functions, a composition, and resources satisfactory to the World Bank for the purposes referred to in paragraph 2 (a) of this Part A.

B. Anti-Corruption

The Recipient shall ensure that the Project is carried out in accordance with the provisions of the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006 and revised in January 2011 (“Anti-Corruption Guidelines”).

C. Project Implementation Plan

1. The Recipient shall:

   (a) through the Project Management Office, carry out the Project in accordance with the provisions of the Project Implementation Plan; and
(b) except as the World Bank shall otherwise agree in writing, not assign, amend, abrogate, or waive, or permit to be assigned, amended, abrogated, or waived, the aforementioned, or any provision thereof.

2. In the event of a conflict between the provisions of the Project Implementation Plan and those of this Agreement, the latter shall govern.

D. Annual Work Plans and Budgets

The Recipient shall, through the Project Management Office:

(a) furnish to the World Bank for review and approval as soon as available, but in any case not later than November 30 of each year, the annual work plan and budget for its Respective Part of the Project for each subsequent year of Project implementation, of such scope and detail as the World Bank shall have reasonably requested, except for the annual work plan and budget for the Project for the first year of Project implementation, which shall be furnished not later than one (1) month after the Effective Date; and

(b) thereafter ensure that the Project is carried out in accordance with such plan and budget as agreed with the World Bank.

E. Safeguards

1. The Recipient shall, through the Project Management Office, ensure that the terms of reference for all studies carried out under the Project include consideration of the relevant environmental issues and preparation of any related recommendations.

2. The Recipient shall:

(a) through the Project Management Office, carry out the Project in accordance with the provisions of the Environmental Management Plan; and

(b) except as the World Bank shall otherwise agree in writing, 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 a conflict between the provisions of the Environmental Management Plan and those of this Agreement, the latter shall govern.

4. The Recipient shall, through the Project Management Office, ensure that no land acquisition or Involuntary Resettlement is carried out under the Project.
F. Subprojects

The Recipient shall make Subproject Grants to Subproject Grant Beneficiaries in accordance with the provisions of the Annex to this Schedule.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports; Completion Report

1. The Recipient shall, through the Project Management Office, 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 set forth in the Project Implementation Plan. Each Project Report shall cover the period of one (1) calendar semester, and shall be furnished to the World Bank, through the Project Management Office, not later than forty-five (45) days after the end of the period covered by such report.

2. The Recipient shall, through the Project Management Office, prepare the Completion Report in accordance with the provisions of Section 2.06 (b) (ii) of the Standard Conditions. The Completion Report shall be furnished to the World Bank, through the Project Management Office, not later than six (6) months after the Closing Date.

B. Financial Management; Financial Reports; Audits

1. The Recipient shall, through the Project Management Office, 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:

   (a) through the Project Management Office, carry out the Project in accordance with the provisions of the Project Financial Management Manual; and

   (b) except as the World Bank shall otherwise agree in writing, 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 a conflict between the provisions of the Project Financial Management Manual and those of this Agreement, the latter shall govern.

4. The Recipient shall, through the Project Management Office, ensure that interim unaudited financial reports for the Project are prepared and furnished to the World Bank not later than forty-five (45) days after the end of each calendar
semester, covering the semester, in form and substance satisfactory to the World Bank.

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

Section III. **Procurement**

A. General

1. **Procurement and Consultant Guidelines.** All goods, non-consulting services, and consultants' services required for the Project and to be financed out of the proceeds of the Grant shall be procured in accordance with the requirements set forth or referred to in:

   (a) Section I of the “Guidelines: Procurement of Goods, Works and Non-consulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011 (“Procurement Guidelines”) in the case of goods and non-consulting services and Sections I and IV of the “Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011 (“Consultant Guidelines”) in the case of consultants' services; and

   (b) 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, III, IV, and V of the Consultant Guidelines.

B. **Particular Methods of Procurement of Goods and Non-Consulting Services**

1. **International Competitive Bidding.** Except as otherwise provided in paragraph 2 below, goods and non-consulting services shall be procured under contracts awarded on the basis of International Competitive Bidding.
2. **Other Methods of Procurement of Goods and Non-Consulting Services.** The following methods other than International Competitive Bidding may be used for procurement of goods and non-consulting services for those contracts specified in the Procurement Plan: (a) National Competitive Bidding, subject to the additional provisions set forth in the box below; (b) Shopping; (c) Direct Contracting; and (d) Well-established Private Sector Procurement Methods or Commercial Practices which have been found acceptable to the World Bank.

The procedures applicable to the procurement of goods and non-consulting services under contracts awarded on the basis of National Competitive Bidding (NCB) shall be the open tendering procedures set forth in the Recipient’s Law on Tendering and Bidding promulgated by its Order No. 21 dated August 30, 1999; provided, however, that such procedures shall be subject to the provisions of Section I of, Paragraphs 3.3 and 3.4 of Section III of, and Appendix I to, the Procurement Guidelines, and the additional provisions in the following. In the event of a conflict between the Recipient’s procedures and these NCB Procedure Modifications, the latter shall govern.

(i) Eligibility to participate in a procurement process and to be awarded a World Bank-financed contract shall be as defined under Section I of the Procurement Guidelines; accordingly, no bidder or potential bidder shall be declared ineligible for such contract for reasons other than those provided in Section I of the Procurement Guidelines. No restriction based on nationality of bidders and/or origin of goods shall apply, and foreign bidders shall be allowed to participate in NCB without application of restrictive conditions.

(ii) All invitations to prequalify or bid shall be advertised in a newspaper of wide circulation in the Recipient’s country, or on a widely used website/electronic portal with free national and international access acceptable to the World Bank, except for goods or non-consulting services contracts that are estimated to cost less than $300,000 equivalent each, which may be advertised in a provincial daily newspaper. Such advertisement shall be made in sufficient time for prospective bidders to obtain prequalification or bidding documents and prepare and submit their responses. In any event, a minimum of thirty (30) days shall be given to bidders between the date of such advertisement in such newspaper and the deadline for submission of bids, and the advertisement (or the date of availability of bidding documents, whichever is later) and the deadline for the submission of bids, and the advertisement and bidding documents shall specify the deadline for the submission of bids. In the case of such advertisement on a website/electronic portal, the notice shall remain readily accessible nationally and
internationally until at least the deadline for the submission of bids. Potential bidders shall be allowed to inspect and purchase bidding documents at any time prior to the deadline for the submission of bids.

(iii) Standard Bidding Documents acceptable to the World Bank shall be used.

(iv) Qualification requirements of bidders and the method of evaluating the qualification of each bidder shall be specified in detail in the bidding documents.

(v) Verification of the information upon which a bidder was prequalified, including current commitments, shall be carried out at the time of contract award, along with the bidder’s capability with respect to personnel and equipment. All bidders that meet the qualification criteria set out in the prequalification documents shall be allowed to bid, and there shall be no limit on the number of prequalified bidders. Where prequalification is not used, the qualification of the bidder who is recommended for award of contract shall be assessed by post-qualification, applying the qualification criteria stated in the bidding documents.

(vi) Registration shall not be used to assess bidders’ qualifications. A bidder shall not be required to register as a condition for inspecting or purchasing bidding documents, submitting its bid or receiving contract award. A bidder determined to be the lowest evaluated responsive bidder shall be given reasonable opportunity of registering (if required) before contract signing without any let or hindrance. Bidding shall not be restricted to any particular class of contractors, and non-classified contractors shall also be eligible to bid.

(vii) No margins of preference of any sort shall be given to bidders, such as on the basis of their location, place of incorporation, or affinity with the geographical area in which the Project activities will take place.

(viii) All bidders who are awarded single-responsibility contracts shall be required to provide security in an amount sufficient to protect the Recipient in case of breach of contract by the contractor, and the bidding documents shall specify the required form and amount of such security and any other potential damages for such breach.

(ix) Bidders shall be allowed to submit bids by mail or in person.
(x) All bids shall be opened in public; all bidders shall be offered an opportunity to be present (either in person or through their representatives) at the time of bid opening, but bidders shall not be required to be present at the bid opening.

(xi) All bid evaluation criteria shall be disclosed in the bidding documents and quantified in monetary terms or expressed in the form of pass/fail requirements.

(xii) No bid may be rejected solely on the basis that the bid price exceeds any cost estimate or falls outside any margin or bracket of prices or average bids established by the Recipient. Rejection of all bids or rebidding shall not be allowed solely because the number of bids is less than three (3), and rejection of all bids or rebidding shall not take place without the World Bank’s prior written agreement.

(xiii) Each contract shall be awarded to the lowest evaluated responsive bidder, that is, the bidder who meets the appropriate standards of capability and resources and whose bid has been determined: (A) to be substantially responsive to the bidding documents; and (B) to offer the lowest evaluated cost. The winning bidder shall not be required, as a condition of award, to undertake responsibilities for work or to assume other obligations not stipulated in the bidding documents or otherwise to modify the bid as originally submitted. No negotiations shall be permitted except with the World Bank’s non-objection.

(xiv) In accordance with the Procurement Guidelines, each bidding document and contract shall include provisions stating the World Bank’s policy to sanction firms or individuals found to have engaged in fraud and corruption as set forth in the Procurement Guidelines.

(xv) In accordance with the Procurement Guidelines, each bidding document and contract shall include provisions stating the World Bank’s policy with respect to inspection and audit of accounts, records, and other documents relating to the submission of bids and contract performance.

(xvi) Government-owned enterprises in the Recipient’s country may be permitted to bid or submit a proposal of goods or non-consulting services if they can establish that they: (A) are legally and financially autonomous; (B) operate under commercial law; and (C) are not a dependent agency of the agency conducting the
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 assignments which are specified in the Procurement Plan: (a) Quality-based Selection; (b) Selection based on Consultants' Qualifications; (c) Single-source Selection of consulting firms; (d) Well-established Private Sector Procurement Methods or Commercial Practices which have been found acceptable to the World Bank; (e) Selection of
Individual Consultants; and (f) Single-source procedures for the Selection of Individual Consultants.

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**

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 one hundred percent (100%) of Eligible Expenditures (inclusive of Taxes) consisting of goods, non-consulting services, consultants’ services, Subproject Grants, Training, and Operating Costs.

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, except that withdrawals up to an aggregate amount not to exceed $5,000,000 equivalent may be made for payments made prior to this date but on or after February 1, 2013, for Eligible Expenditures.

2. The Closing Date referred to in Section 3.06 (c) of the Standard Conditions is June 30, 2019.
ANNEX TO SCHEDULE 2

Subprojects

A. Procedures

1. The Recipient shall, through the Project Management Office, review and approve applications for Subproject Grants, and thereafter monitor and evaluate Subprojects, in accordance with the provisions of this Annex, the Project Implementation Plan, including the Subproject Guidelines, the Project Financial Management Manual, and the Environmental Management Plan as applicable.

2. The Recipient shall furnish to the World Bank for review and approval, prior to the conclusion of each Subproject Grant Agreement, the application and such Agreement.

B. Criteria

The Recipient shall make a Subproject Grant to a Subproject Grant Beneficiary in accordance with criteria approved by the World Bank, which shall include the following:

(a) the application for the Subproject Grant sets forth the Subproject objectives, activities, budget, benefits, and management arrangements;

(b) the Subproject Grant Beneficiary is a public academic or research institution or a commercial entity meeting the relevant criteria set forth in the Subproject Guidelines; and

(c) the Subproject:
   (i) has been assessed by the Subproject Grant Beneficiary to be technically feasible and environmentally sustainable;
   (ii) is consistent with the relevant technical standards, and, in the case of a Subproject comprising a demonstration activity under Part 4 of the Project, the relevant economic, financial, managerial, environmental, and social standards;
   (iii) complies with the Environmental Management Plan when comprising a demonstration activity under Part 4 of the Project;
   (iv) does not require land acquisition or Involuntary Resettlement; and
the amount of the Subproject Grant and the aggregate amount of Subproject Grants to a Subproject Grant Beneficiary do not exceed the ceilings set forth in this regard in the Subproject Guidelines.

C. Terms

1. The Recipient shall make a Subproject Grant pursuant to a Subproject Grant Agreement between the Recipient, acting through the Project Management Office, and the Subproject Grant Beneficiary on terms and conditions approved by the World Bank, which shall include the following:

(a) the amount of the Subproject Grant, a description of the Subproject, the eligible expenditures and technologies as applicable, the budget, the required milestones, and the disbursement arrangements;

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

(c) the obligation of the Subproject Grant Beneficiary to:

(i) carry out the Subproject 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 as applicable, including the provisions of the Anti-Corruption Guidelines applicable to recipients of grant proceeds other than the Recipient, the Subproject Guidelines, and, in the case of a Subproject comprising a demonstration activity under Part 4 of the Project, the Environmental Management Plan;

(ii) provide, promptly as needed, the resources required for the purpose of the Subproject, including the funds required pursuant to any cost-sharing arrangement set forth in the Subproject Guidelines or the Subproject Grant Agreement;

(iii) in the case of a Subproject comprising a demonstration activity under Part 4 of the Project, ensure that any contract under the Subproject includes the obligation of the respective contractor to implement the Environmental Management Plan;
(iv) ensure that no land acquisition or Involuntary Resettlement is carried out under the Subproject:

(v) 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 Subproject and the achievement of its objectives;

(vi) (A) 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 Subproject; and (B) at the Recipient’s or the World Bank’s request, have such 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 accounts and records as so audited to the Recipient and the World Bank;

(vii) procure the goods and services to be financed out of the Subproject Grant in accordance with the provisions of Section III of Schedule 2 to this Agreement, and use such goods and services exclusively in the carrying out of the Subproject;

(viii) enable the Recipient and the World Bank to inspect the Subproject, its operation, and any relevant records and documents; and

(ix) 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 each Subproject Grant 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 in writing, the Recipient shall not assign, amend, abrogate or waive, or permit to be assigned, amended, abrogated or waived, any Subproject Grant Agreement or any provision thereof.
APPENDIX

Definitions

1. "Category" means a category set forth in the table in Section IV of Schedule 2 to this Agreement.

2. "Environmental Management Plan" means the Recipient's plan, dated May 24, 2013 and agreed with the World Bank, setting forth mitigation, enhancement, monitoring, and institutional measures, including capacity building through training, to eliminate any adverse environmental impacts of Subprojects (as hereinafter defined) comprising a demonstration activity under Part 4 of the Project, offset such impacts, 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 annexes, appendices, or schedules to such plan.

3. "Involuntary Resettlement" means the following caused on account of Project implementation: (a) the involuntary taking of land, resulting in: (i) relocation or loss of shelter; (ii) loss of assets or access to assets; or (iii) loss of income sources or means of livelihood, whether or not the affected person must move to another location; or (b) the involuntary restriction of access to legally designated parks and protected areas resulting in adverse impacts on the livelihood of the affected person.

4. "National Development and Reform Commission" means the Recipient's ministry-level agency responsible for the management of development and reform, or a successor thereto.

5. "National Energy Administration" means the Recipient's agency, under the National Development and Reform Commission, responsible for the management of energy, or a successor thereto.

6. "Operating Costs" means the operating costs of the Project incurred by the Recipient, including through the Project Management Office (as hereinafter defined), on the basis of the annual work plans and budgets referred to in Section 1.D of Schedule 2 to this Agreement for purposes of Project management, implementation, and monitoring and evaluation, on account of office supplies and consumables, utilities, bank charges, communications, mass media and printing services, vehicle rental, operation, maintenance, and insurance, building and equipment maintenance, domestic travel, lodging, and subsistence allowances, and salaries of contractual and temporary staff, but excluding salaries and any salary supplements of members of the Recipient's civil service.
7. "Project Financial Management Manual" means the Recipient’s manual, dated September 4, 2013 and agreed with the World Bank, setting out financial management and disbursement arrangements for purposes of Project implementation, as the same may be modified from time to time with the prior written agreement of the World Bank, and such term includes any annexes, appendices, or schedules to such manual.

8. "Project Implementation Plan" means the Recipient’s plan, dated August 20, 2013 and agreed with the World Bank, setting forth implementation, organizational, administrative, monitoring and evaluation, and procurement arrangements for purposes of implementation of the Project, including the Subproject Guidelines, as the same may be modified from time to time with the prior written agreement of the World Bank, and such term includes any annexes, appendices, or schedules to such plan.

9. "Project Management Office" means the Recipient’s office, under the National Energy Administration, or a successor thereto.

10. "Project Steering Committee" means the Recipient’s committee, headed by the National Energy Administration and including representatives of the ministries and agencies relevant for purposes of the Project, or a successor thereto.

11. "Subproject" means a technical assistance (including for the carrying out of studies and training) activity under Part 2, 3, 4, or 5 (a) of the Project, a technology improvement activity under Part 3 of the Project, and / or a demonstration activity under Part 4 of the Project, financed or proposed to be financed through a Subproject Grant (as hereinafter defined) in accordance with the criteria set forth in Part B of the Annex to Schedule 2 to this Agreement and in further detail in the Subproject Guidelines.

12. "Subproject Grant" means a grant made or proposed to be made to a Subproject Grant Beneficiary (as hereinafter defined) out of the proceeds of the Grant to finance a Subproject pursuant to a Subproject Grant Agreement.

13. "Subproject Grant Agreement" means an agreement, referred to in Part C of the Annex to Schedule 2 to this Agreement, between the Recipient, acting through the Project Management Office, and a Subproject Grant Beneficiary, setting forth the terms and conditions governing a Subproject Grant.

14. "Subproject Grant Beneficiary" means a public academic or research institution or a commercial entity meeting specific criteria set forth in the Subproject Guidelines and which is the beneficiary of a Subproject Grant and party to a Subproject Grant Agreement.
15. "Subproject Guidelines" means the Recipient's guidelines, part of the Project Implementation Plan, setting forth the procedures, criteria, and terms for Subprojects.

16. "Thirteenth Five-Year Plan" means the Recipient's plan setting forth its strategic priorities for the period from its fiscal year 2016 through its fiscal year 2020.

17. "Training" means the cost of training financed under the Project, incurred on the basis of the annual work plans and budgets referred to in Section 1.D of Schedule 2 to this Agreement, attributable to seminars, study tours, and workshops, along with the cost of domestic and international travel and subsistence for training participants, services of trainers, rental of training facilities, preparation and reproduction of training materials, and other activities directly related to training preparation and implementation.

18. "Twelfth Five-Year Plan" means the Recipient's plan setting forth its strategic priorities for the period from its fiscal year 2011 through its fiscal year 2015.