Strategic Climate Fund
Forest Investment Program
Grant Agreement
(Saweto Dedicated Grant Mechanism for Indigenous Peoples and Local Communities in Peru Project)

between
INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT
acting as Implementing Entity of the Forest Investment Fund
under the Strategic Climate Fund

and
WORLD WILDLIFE FUND, INC.

Dated SEPTEMBER 24, 2015
STRATEGIC CLIMATE FUND - FOREST INVESTMENT PROGRAM
GRANT AGREEMENT

AGREEMENT dated **SEPTEMBER 24, 2015** entered into between INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT ("World Bank"), acting as Implementing Entity of the Forest Investment Fund under the Strategic Climate Fund and WORLD WILDLIFE FUND, INC. ("Recipient");

WHEREAS: (a) the Republic of Peru ("Member Country"), on September 18, 2013; and (b) the FIP Subcommittee on June 3, 2015, have endorsed the provision of the Dedicated Grant Mechanism (DGM) for indigenous peoples and local communities in the Member Country and said endorsements have been granted in accordance with the DGM Framework Operational Guidelines.

The Recipient and the World Bank hereby agree as follows:

**Article I**

**Standard Conditions; Definitions**

1.01. The 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 the Appendix to 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, in close collaboration with the NSC, shall carry out the Project 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 five million five hundred thousand United States Dollars ($5,500,000) ("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
Effectiveness; Termination

4.01. 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) that the Project Operations Manual has been adopted by the Recipient in a manner satisfactory to the Bank; and

(b) that the execution and delivery of this Agreement on behalf of the Recipient have been duly authorized or ratified by all necessary corporate action.

4.02. As part of the evidence to be furnished pursuant to Section 4.01 (b), there shall be furnished to the World Bank an opinion satisfactory to the World Bank of counsel acceptable to the World Bank, showing that on behalf of the Recipient, that this Agreement has been duly authorized or ratified by, and executed and delivered on its behalf and is legally binding upon it in accordance with its terms.

4.03. 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 4.01 ("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.

4.04. Termination for Failure to Become Effective. This Agreement and all obligations of the parties under it shall terminate if it has not entered into effect by the date ninety (90) days after the date of this Agreement (the "Effectiveness Deadline"), 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.

4.05 Without prejudice to Section 4.01 of this Agreement, the Effectiveness Deadline shall in no case be later than eighteen (18) months after the World Bank’s approval of the Grant.

Article V
Recipient’s Representative; Addresses

5.01. The Recipient’s Representative referred to in Section 7.02 of the Standard Conditions is the Program Office Representative for Peru.

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

World Wildlife Fund, INC.
Trinidad Morán 853,
Lince, Lima 14
Peru

With copies to:

World Wildlife Fund, INC.
1250 24th Street, N.W.
Washington, DC 20037
United States of America

5.03. 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, DC 20433
United States of America

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

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AGREED at Lima, Peru, as of the day and year first above written.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
acting as Implementing Entity of the Forest Investment Fund under the Strategic Climate Fund

By ________________________________
Authorized Representative

Name: ALBERTO RODRIGUEZ
Title: COUNTRY DIRECTOR

WORLD WILDLIFE FUND, INC.

By ________________________________
Authorized Representative

Name: PATRICIA LEON-MELGAR
Title: PROGRAM OFFICER REPRESENTATIVE FOR PERU
SCHEDULE 1

Project Description

The objective of the Project is to support indigenous peoples in Selected Communities in the Peruvian Amazon in their efforts to improve their sustainable forest management practices.

The Project consists of the following parts:

Part 1. Native land titling in the Amazon

(a) Registering IPNCs, located in the Selected Communities, in the National Registry of Native Communities through, inter alia: (i) the provision of technical and legal assistance to IPNCs; and (ii) financing Recognition Subprojects and related Operating Costs of the IPNC Organizations.

(b) Supporting the demarcation and titling of IPNCs’ lands located in the Selected Communities through, inter alia: (i) the provision of technical and legal assistance to IPNCs; (ii) financing Titling Subprojects and related Operating Costs of the IPNC Organizations; and (iii) financing Operating Costs required for DRA to carry out land titling activities.

Part 2. Indigenous forest management

Carrying out Agroforestry Subprojects, Food Security Subprojects, Non-Timber Subprojects, and Timber Subprojects by IPNC Organizations located in the Selected Communities and support for related Operating Costs of IPNC Organizations.

Part 3. Governance and sustainability

Supporting Project supervision, administration and sustainability through, inter alia: (a) the carrying out of secretariat activities for the NSC, including technical and financial support for the organization of NSC’s meetings and the provision of technical assistance to support the NSC’s approval process; (b) the provision of technical assistance to IPNCs for the preparation of Subproject proposals and the carrying out of Subprojects; (c) the carrying out of procurement, financial management and safeguard requirements under the Project; (d) the carrying out of annual Project audits; (e) overall Project monitoring and evaluation; (f) the establishment and operation of a Project-related grievance redress mechanism; and (g) financing Operating Costs of the Recipient.
SCHEDULE 2

Project Execution

Section I. **Institutional and Other Arrangements**

A. **Institutional Arrangements**

For the purposes of carrying out the Project, the Recipient shall maintain throughout Project implementation adequate staffing with functions and responsibilities satisfactory to the World Bank, as set forth in the Project Operational Manual, including an IPNC land titling advisor.

B. **National Steering Committee**

The Recipient shall carry out all activities under the Project in close coordination with the National Steering Committee (the “NSC”), following the guidelines set forth in the Project Operational Manual and in the DGM Framework Operational Guidelines.

C. **Project Operational Manual**

1. The Recipient shall adopt and carry out the Project in accordance with a manual (the Project Operational Manual), satisfactory to the World Bank, which shall include the rules, methods, guidelines, standard documents and procedures for the carrying out of the Project, including the following: (a) the detailed description of Project implementation activities and the detailed institutional arrangements of the Project, including procedures for the management of conflicts of interest; (b) the criteria for the selection of IPNC for registry, demarcation and land titling under Part 1 of the Project; (c) eligibility criteria for funding of Subprojects consistent with the DGM Framework Operational Guidelines and the ESMF; (d) institutional roles and responsibilities of the Recipient and NSC under the Project; (e) the Project administrative, accounting, auditing, reporting, financial, procurement and disbursement procedures; (f) the monitoring indicators for the Project; (g) the ESMF; (h) the model Subproject Agreements; and (i) the model Regional Agreements.

2. Except as the World Bank shall otherwise agree in advance, the Recipient shall not abrogate, amend, suspend, waive or otherwise fail to enforce the Project Operational Manual or any provision thereof.

3. In the event that any provision of the Project Operational Manual shall conflict with this Agreement, the terms of this Agreement shall prevail.
D. Subproject Agreements

1. For purposes of carrying out Parts 1 and 2 of the Project, the Recipient shall, after the selection by NSC of a Subproject in accordance with the guidelines and procedures set forth in the Project Operational Manual, and before the eligible IPNC Organization carries out any activity under said Subproject, enter into an agreement with the eligible IPNC Organization ("Subproject Agreement"), under terms and conditions satisfactory to the World Bank as set forth in the Project Operational Manual, which shall include, inter alia:
   (a) the Recipient’s obligation to provide a Micro Grant to said IPNC Organization; and
   (b) the obligation of said IPNC Organization to carry out the Subproject in accordance with the pertinent provisions of this Agreement, including compliance with the Anti-Corruption Guidelines, the ESMF and Section III of this Schedule.

2. The Recipient shall exercise its rights and carry out its obligations under each Subproject 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, waive, terminate or fail to enforce any Subproject Agreement or any provisions thereof.

E. Regional Agreements

1. To facilitate the carrying out of Part 1(b) of the Project, and before any DRA participates in the carrying out of activities under Part 1(b) of the Project, the Recipient shall enter into an agreement with each such DRA (the "Regional Agreement"), under terms and conditions satisfactory to the World Bank as set forth in the Project Operational Manual, which shall include, inter alia: (a) the Recipient’s obligation to transfer part of the funds of the Grant to the DRA to finance Operating Costs required for the carrying out of land demarcation and titling activities; and (b) the DRA’s obligation to carry out its activities under the Project all in accordance with article II of the Standard Conditions and the Anti-Corruption Guidelines.

2. The Recipient shall exercise its rights and carry out its obligations under each Regional 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, waive, terminate or fail to enforce any Regional Agreement or any provisions thereof.

F. Grievance Redress Mechanism

1. The Recipient shall, not later than sixty (60) days after the Effective Date, develop, in form and substance acceptable to the World Bank and following the guidelines set forth in the Project Operational Manual, a grievance redress mechanism that
encompasses transparent, timely and fair procedures, for the purposes of ensuring that all complaints received from IPNCs and other interested stakeholders related to any activity under the Project, including grievances related to a Micro Grant award decision, representation in the NSC, or the governance arrangements related to the Project, are properly and timely addressed.

G. Anti-Corruption

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

H. Safeguards

1. The Recipient shall: (a) implement and cause the Project to be implemented in accordance with the ESMF (including provisions for natural habitats, forests, and pest management); and (b) cause the IPNC Organizations, when applicable, to prepare and implement the pertinent Environmental Management Plan, including the Pest Management Plan, if applicable, for a respective Subproject, in accordance with its terms and in a manner acceptable to the World Bank.

2. The Recipient shall ensure that no Project activities: (a) involve land acquisition; and/or (b) Involuntary Resettlement.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

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

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 semester, covering the semester, in form and substance satisfactory to the World Bank.

3. The Recipient shall have its Financial Statements for the Project 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:

(a) Section I of the Procurement Guidelines in the case of goods, works and non-consulting services, and Sections I and IV of the Consultant Guidelines in the case of consultants’ services; and

(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 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. National 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 National Competitive Bidding, subject to the following additional procedures:

(a) foreign bidders shall not be required to be locally registered as a condition of participation in the selection process;

(b) no reference value (precio referencial) shall be required for publication in the bidding documents or used for the purpose of bid evaluation;
award of contracts shall be based exclusively on price and, whenever appropriate, shall take into account factors that can be quantified objectively, and the procedure for such quantification shall be disclosed in the invitation to bid;

foreign bidders shall be allowed to participate in National Competitive Biddings without restriction, and shall not be subject to any unjustified requirement which will affect their ability to bid such as, but not limited to, the requirement to authenticate (legalizar) their bidding documents or any document related to such bidding documents with either Peruvian Consulates, the Member Country's Ministry of Foreign Affairs, or any Peruvian authorities as a prerequisite of bidding; and

the Recipient, shall use standard bidding documents and standard evaluation formats; all satisfactory to the World Bank.

2. Other Methods of Procurement of Goods, Works and Non-consulting Services. The following methods, other than National Competitive Bidding, may be used for procurement of goods, works and non-consulting services for those contracts specified in the Procurement Plan: (a) Shopping; (b) Direct Contracting; and (c) Community Participation procedures which have been found acceptable to the World Bank.

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 under a Fixed Budget; (c) Least Cost Selection; (d) Selection based on Consultants' Qualifications; (e) Single-source Selection of consulting firms; (f) Selection of Individual Consultants; and (g) Single-source procedures for the Selection of Individual Consultants.

3. In addition and without limitation or restriction to any other provisions set forth in this Section or the Consultant Guidelines, the following provisions shall govern all procurement of consultants' services:

(a) foreign consultants shall not be required to be locally registered as a condition of participation in the selection process;
(b) foreign consultants shall not be required to authenticate (legalizar) any documentation related to their participation in the selection process with Peruvian Consulates, the Member Country’s Ministry of Foreign Affairs, or any Peruvian authorities as a condition of participation in said selection process;

(c) the Recipient, shall use standard requests for proposals and standard evaluation formats; all satisfactory to the World Bank;

(d) foreign consultants, either individuals or firms, shall not be required to pay fees to the Peruvian Consultants’ Association that are different from those required for Peruvian consultants; and

(e) No individual consultant financed out of the proceeds of the Grant shall, at the time he or she is carrying out his or her contractual obligations as consultant, hold civil service office or any other position in any agency or instrumentality of the Member Country, nor shall such consultant have any right to re-entry into any such office or position upon the conclusion of his or her consulting services.

D. Review by the World Bank of Procurement Decisions

The Procurement Plan shall set forth those contracts which shall be subject to the World Bank’s Prior Review. All other contracts shall be subject to Post Review by the World Bank.

Section IV. Withdrawal of Grant Proceeds

A. General

1. The Recipient may withdraw the proceeds of the Grant in accordance with the provisions of: (a) Article III of the Standard Conditions; (b) this Section; and (c) such additional instructions as the World Bank may specify by notice to the Recipient (including the “World Bank Disbursement Guidelines for Projects” dated May 2006, as revised from time to time by the World Bank and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the table in paragraph 2 below.

2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Grant (“Category”), the allocations of the amounts of the Grant to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:
<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Grant Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, works, non-consulting services, consultants' services, Training and Operating Costs under Part 1 of the Project</td>
<td>2,610,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Goods, works, non-consulting services, consultants' services Training and Operating Costs under Part 2 of the Project</td>
<td>1,600,000</td>
<td>100%</td>
</tr>
<tr>
<td>(3) Goods, works, non-consulting services, Training, consultants' services (including audits) and Operating Costs under Part 3 of the Project</td>
<td>1,290,000</td>
<td>100%</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>5,500,000</strong></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 March 1, 2021.
APPENDIX

A. Definitions

1. "Agroforestry Subproject" means any eligible activity to be carried out by IPNCs (including, inter alia, activities related to food security and agroforestry), approved in accordance with the Project Operational Manual and referred to in Part 2 of the Project, to be financed with a Micro Grant under the pertinent Subproject Agreement.


3. “Constitution” means the Member Country’s Political Constitution dated December 30, 1993 as amended to the date of this Agreement.


5. “Department” means “Departamento”, a political subdivision of the Member Country created pursuant to the Constitution.

6. “DRA” means “Dirección Regional de Agricultura”, each of MINAGRI’s agricultural offices in each Region or Department, or any successor thereto acceptable to the Bank, collectively referred to as “DRAs”.

7. “DGM” means Dedicated Grant Mechanism.

8. “DGM Framework Operational Guidelines” means the operational guidelines developed jointly by the multilateral development banks (as implementing entities of the FIP) in collaboration with the global transitional committee of the DGM, approved by the FIP Subcommittee on October 31, 2011 and endorsed by the IPNC representatives on October 2011 that includes the objectives, principles, overarching grant eligibility criteria, procedures, grievance redress and complaints mechanism, as well as the role of different institutions in the governance of the program.

9. “Environmental and Social Management Framework or ESMF” means the Recipient’s framework dated March 6, 2015, acceptable to the World Bank, as published and available to the public on May 5, 2015, which contains the environmental protection measures in respect of the Project, including: (a) protection of natural habitats and pest management; (b) guidelines for the identification of existing environmental conditions and potential direct and indirect environmental impacts resulting from the carrying out of the Project; (c) guidelines for the
carrying out of environmental assessments and the preparation of Environmental Management Plans, when applicable; (d) provisions for the treatment of physical cultural resources discovered during project implementation (chance finds); (e) the recommendation of mitigation measures for each negative impact identified; and (f) measures for enhancing each identified positive impact.

10. “Environmental Management Plan” means a site-specific environmental management plan, acceptable to the World Bank, prepared under the Project in accordance with the ESMF, describing the environmental mitigation measures anticipated for activities under the Project and the parties responsible for monitoring environmental impacts.

11. “FIP” means Forest Investment Program, a targeted program under the Strategic Climate Fund (STF).

12. “FIP Subcommittee” means the decision-making body responsible for overseeing and deciding on the operations and activities of the FIP, comprised by representatives from contributor countries and representatives from eligible recipient countries, including the Member Country.

13. “Food Security Subproject” means any eligible activity to be carried out by IPNCs (including, inter alia activities related to food security through the development of micro-fish farms), approved in accordance with the Project Operational Manual and referred to in Part 2 of the Project, to be financed with a Micro Grant under the pertinent Subproject Agreement.

14. “Involuntary Resettlement” means the impact of an involuntary taking of land, which taking causes affected persons to have their: (a) standard of living adversely affected; or (b) right, title or interest in any house, land (including premises, agricultural and grazing land) or any other fixed or movable asset acquired or possessed, temporarily or permanently; or (c) access to productive assets adversely affected, temporarily or permanently; or (d) business, occupation, work or place of residence or habitat adversely affected, temporarily or permanently.

15. “IPNC” means indigenous peoples and native communities located in the Member Country’s territory.

16. “IPNC Organization” means an indigenous people and native communities’ organization and/or a group of IPNC organized into a legally established association, all of which, upon meeting the criteria set forth in the Project Operational Manual, have been selected for carrying out a Subproject, collectively referred to as “IPNC Organizations”.

17. “Micro Grant” means a grant made out of the proceeds of the Grant from the Recipient to a selected IPNC Organization for the financing of an eligible
Subproject, subject to the specific terms and conditions set forth in the Project Operational Manual and in the relevant Subproject Agreement.

18. “MINAGRI” means “Ministerio de Agricultura y Riego”, the Member Country’s Ministry of Agriculture and Irrigation, or any legal successor thereto.


20. “National Steering Committee” or “NSC”, means the Member Country’s committee comprising representatives from IPNC Organizations, following the DGM Framework Operational Guidelines, with the Recipient acting as its executive secretariat, and charged with the oversight of Project implementation and as a deliberative body required to, *inter alia*: (i) decide, jointly with the Recipient, on the annual working plans, prioritization and funding of Subprojects; (ii) review and make funding decisions on eligible Subprojects proposals; (iii) provide oversight of Project implementation; and (iv) review monitoring and evaluation reporting under the Project.

21. “Non-Timber Subprojects” means any eligible activity to be carried out by IPNCs (including, *inter alia*, activities related to tourism), approved in accordance with the Project Operational Manual and referred to in Part 2 of the Project, to be financed with a Micro Grant under the pertinent Subproject Agreement.

22. “Operating Costs” means the reasonable incremental operational costs (which would not have been incurred absent the Project), related to Project technical and administrative management monitoring and supervision required under the Project, including:

(a) said costs incurred by the Recipient, including: (i) salaries of staff (not covered by consultant services); (ii) operation and maintenance of vehicles, fuel and spare parts; (iii) equipment and computer maintenance; (iv) shipment costs (whenever these costs are not included in the price of the goods); (v) office supplies; (vi) rental of office facilities; (vii) utilities; (viii) travel costs (including accommodations, transportation costs and *per diem*); (ix) communication costs, including advertisement for procurement purposes; (x) banking fees; and (xi) organization of NSC meetings;

(b) said costs incurred by the IPNC Organizations, including: (i) operation and maintenance of vehicles, fuel and spare parts; (ii) equipment and computer maintenance; (iii) travel and field work costs (including small equipment, medicines, accommodations, transportation costs and in kind *per diem*); and (iv) participation in NSC meetings;
(c) said costs incurred by the DRAs, including field work *per diem*; and

(d) any other reasonable incremental costs agreed between the Recipient and the Bank.

23. “Peruvian Amazon” means the area of the Amazon forest located within the Member Country’s territory.

24. “Pest Management Plan” means a site-specific plan to support safe, effective, and environmentally sound pest management, acceptable to the World Bank, prepared under the Project in accordance with the ESMF.


26. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated June 10, 2015 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, and in a manner satisfactory to the World Bank.

27. “Project Operational Manual” means the Recipient’s manual set forth in Section I.C.1 of Schedule 2 to this Agreement, as said manual may be amended from time to time in a manner satisfactory to the World Bank.

28. “Recognition Subproject” means any eligible activity to be carried out by an IPNC to request the legal recognition of said community (including, *inter alia*, carrying out field work, community consultations, filing legal requests and following the required legal procedures as set forth under the Member Country’s Law No. 22175, dated May 9, 1978), approved in accordance with the Project Operational Manual and referred to in Part 1(a) of the Project, to be financed with a Micro Grant under the pertinent Subproject Agreement.

29. “Region” means “Región” a political subdivision of the Member Country created pursuant to the Constitution.

30. “Regional Agreement” means any of the agreements set forth in Section I.E.1 of Schedule 2 to this Agreement.

31. “Selected Communities” means the area comprised by the specific Regions of the Peruvian Amazon set forth in the Project Operational Manual for each Part of the Project.

33. "Subproject" means either an Agroforestry Subproject, Food Security Subproject, Non-Timber Subproject, Recognition Subproject, Timber Subproject or a Titling Subproject, collectively referred to as "Subprojects".

34. "Subproject Agreement" means an agreement to be entered into between the Recipient and an eligible IPNC Organization, as specified in Section I.D.1 of Schedule 2 to this Agreement.

35. "Timber Subproject" means any eligible activity to be carried out by IPNCs for the purpose of developing sustainable timber activities, approved in accordance with the Project Operational Manual and referred to in Part 2 of the Project, to be financed with a Micro Grant under the pertinent Subproject Agreement.

36. "Titling Subproject" means any eligible activity to be carried out by IPNCs to request the demarcation and titling of said community's land (including, inter alia, carrying out field work, community consultations and following the required legal procedures as set forth under the Member Country's Law No. 22175, dated May 9, 1978), approved in accordance with the Project Operational Manual and referred to in Part 1(b) of the Project, to be financed with a Micro Grant under the pertinent Subproject Agreement.

37. "Training" means expenditures (other than those for consultants' services) incurred by the Recipient in connection with the carrying out of training, seminars, and workshops, including the reasonable travel costs (e.g. accommodations, transportation costs and per diem) of trainees and trainers (if applicable), catering, rental of training facilities and equipment, logistics and printing services, as well as training materials and equipment under the Project.


Section II. Modifications to the Standard Conditions

The Standard Conditions are modified as follows:

1. The reference to "Member Country" in the Standard Conditions and in this Agreement means the Republic of Peru.