Global Environment Facility Project Agreement

(Large-City Congestion and Carbon Reduction Project)

between

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

and

HEILONGJIANG PROVINCE, JIANGSU PROVINCE,
and SICHUAN PROVINCE

Dated June 25, 2013
GLOBAL ENVIRONMENT FACILITY PROJECT AGREEMENT

AGREEMENT dated June 28, 2013, entered into between INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT ("World Bank"), acting as an Implementing Agency of the Global Environment Facility (GEF), and HEILONGJIANG PROVINCE, JIANGSU PROVINCE, and SICHUAN PROVINCE (collectively, "Project Implementing Entities") ("Project Agreement") in connection with the Grant Agreement ("Grant Agreement") of same date between People’s Republic of China ("Recipient") and the World Bank. The World Bank and the Project Implementing Entities hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

1.01. The Standard Conditions (as defined in the Grant 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 Grant Agreement or the Standard Conditions.

ARTICLE II — PROJECT

2.01. Each of the Project Implementing Entities declares its commitment to the objectives of the Project. To this end, each Project Implementing Entity shall carry out, through its Project City, its Respective Part of the Project, in accordance with the provisions of Article 2 of the Standard Conditions, and shall provide promptly as needed, the funds, facilities, services and other resources required for the Respective Part of the Project.

2.02. Without limitation upon the provisions of Section 2.01 of this Agreement, and except as the World Bank and the Project Implementing Entities shall otherwise agree, the Project Implementing Entities shall carry out, through the Project Cities, their Respective Parts of the Project in accordance with the provisions of the Schedule to this Agreement.

2.03. An amendment to this Agreement affecting only the Respective Part of the Project of one (1) or more Project Implementing Entities may be agreed in writing between the World Bank and the relevant Project Implementing Entity or Entities.

ARTICLE III — REPRESENTATIVE; ADDRESSES

3.01. The Representative of each of the Project Implementing Entities is the Governor or Vice Governor or such other person or persons as the Governor or Vice Governor shall designate in writing.
3.02. The Bank's Address is:

International World Bank for Reconstruction and Development
1818 H Street, NW
Washington, DC 20433
United States of America

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

3.03. The Project Implementing Entities' Addresses are:

For Heilongjiang Province:

International Financing Division
Heilongjiang Provincial Finance Department
No. 146 Jianshe Street
Nangang District, Harbin City 150001
Heilongjiang Province
China

Facsimile:
86-451-5363-1663

For Jiangsu Province:

Finance Division
Jiangsu Provincial Finance Department
No. 63 Beijing West Road
Nanjing City 210024, Jiangsu Province
China

Facsimile:
86-25-8363-3110

For Sichuan Province:

Foreign Affairs and Debts Division
Sichuan Provincial Finance Department
37 Nanxin Street
Chengdu City 610016, Sichuan Province
China
Facsimile:
86-28-8666-7231

AGREED at Beijing, People's Republic of China, as of the day and year first above written.

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

HEILONGJIANG PROVINCE

By
Authorized Representative
Name: Cang Dijian
Title: Deputy Director-General, International Department, Ministry of Finance

JIANGSU PROVINCE

By
Authorized Representative
Name: Cang Dijian
Title: Deputy Director-General, International Department, Ministry of Finance
SICHUAN PROVINCE

By [Signature] Authorized Representative

Name: Liang Jiqian

Title: Deputy Director-General

International Department
Ministry of Finance
SCHEDULE

Execution of the Project

Section I. Implementation Arrangements

A. Institutional and Other Arrangements

1. Each Project Implementing Entity shall maintain or cause its Project City to maintain, throughout the period of Project implementation, a CPMO, at the Project City, under its Transport Bureau or Committee, as the case may be, with composition and responsibilities acceptable to the World Bank, with competent staff in adequate numbers. Said CPMO shall be responsible for the organization, coordination, and implementation of the Respective Part of the Project, including technical, project management, environmental and social safeguards, procurement and financial management work.

2. Each Project Implementing Entity shall, not later than July 31 each year, commencing July 31, 2013, prepare and furnish, or cause its Project City to prepare and furnish, to the World Bank, for its review and approval, an annual work plan detailing the activities to be carried out during the following year.

B. Anti-Corruption

Each Project Implementing Entity shall ensure that its Respective Part of the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.

C. Environmental Management and Safeguards

1. Each Project Implementing Entity shall:

   (a) ensure, or cause its Project City to ensure, that all activities under its Respective Part of the Project shall conform to the Safeguards Instruments, the environmental regulations and guidelines issued by the Recipient’s Ministry of Environmental Protection and said Project Implementing Entity’s Environmental Protection Bureau from time to time; and

   (b) to that end, implement, or cause its Project City to implement, the EMF or EMP applicable to its Respective Part of the Project, in a manner satisfactory to the World Bank.

2. The Project Implementing Entities shall not, amend, suspend, or waive, permit to be amended, suspended, or waived, the Safeguards Instruments, or any provision thereof, without the prior written concurrence of the World Bank.

3. Each Project Implementing Entity shall maintain, or cause its Project City to maintain, policies and procedures adequate to enable it to monitor and evaluate, in accordance with guidelines acceptable to the World Bank, the implementation of the Safeguards Instruments.
4. Each Project Implementing Entity shall take, or cause its Project City to take, all measures necessary on its part to regularly collect, compile, and submit to the World Bank, as part of the Project Reports, information on the status of compliance with the Safeguards Instruments, giving details of:

(a) measures taken in furtherance thereof;

(b) conditions, if any, which interfere or threaten to interfere with the smooth implementation thereof; and

(c) remedial measures taken or required to be taken to address such conditions.

5. In the event of any inconsistency between the provisions of any of the Safeguards Instruments and the provisions of this Agreement or the Grant Agreement, the provisions of this Agreement and the Grant Agreement shall prevail.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

1. Each Project Implementing Entity shall monitor and evaluate, or cause its Project City to monitor and evaluate, the progress of its Respective Part of the Project and prepare, or cause its Project City to prepare, Project Reports in accordance with the provisions of Section 2.06(b) of the Standard Conditions and on the basis of the indicators set forth in the Results Framework. Each such Project Report shall cover the period of one calendar semester, and shall be furnished to the Recipient and the World Bank not later than sixty (60) days after the end of the period covered by such report.

2. Without limitation to the provisions of paragraph 1 above, each Project Implementing Entity shall:

(a) prepare, or cause its Project City to prepare, under terms of reference acceptable to the World Bank, and furnish to the Recipient and the World Bank a midterm report, not later than thirty (30) months after the Effective Date, or such other deadline as may be agreed in writing with the World Bank, integrating the results of the monitoring and evaluation activities performed pursuant to Section II.A of this Schedule, on the progress achieved in the carrying out of its Respective Part 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 its Respective Part of the Project and the achievement of the objectives thereof during the period following such date; and

(b) promptly review, or cause its Project City to review, with the Recipient and the World Bank the report referred to in paragraph (a) of this Section, and, thereafter, take all measures required to ensure the efficient completion of its Respective Part of the Project and the achievement of the objectives thereof, based on the conclusions and recommendations of the said report and the Recipient's and World Bank's views on the matter.
3. Each Project Implementing Entity shall provide, or cause its Project City to provide, to the Recipient not later than three (3) months after the Closing Date, for incorporation in the report referred to in Section 5.08 (c) of the General Conditions (Implementation Completion Report), all such information as the Recipient or the World Bank shall reasonably request for the purposes of that Section.

B. Financial Management, Financial Reports and Audits

1. Each Project Implementing Entity shall maintain, or cause its Project City to 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 its Respective Part of the Project.

2. Without limitation on the provisions of Part A of this Section, each Project Implementing Entity shall prepare and furnish, or cause its Project City to prepare and furnish, to the World Bank as part of the Progress Report not later than sixty (60) days after the end of each calendar semester, interim unaudited financial reports for its Respective Part of the Project covering the semester, in form and substance satisfactory to the World Bank.

3. Each Project Implementing Entity shall have, or cause its Project City to have, its financial statements referred to above audited by independent auditors acceptable to the World Bank, in accordance with consistently applied auditing standards acceptable to the World Bank. Each audit of these financial statements shall cover the period of one (1) fiscal year of the Project Implementing Entity. Each Project Implementing Entity shall ensure, or cause its Project City to ensure, that the audited financial statements for each period shall be: (a) furnished to the Recipient and the World Bank not later than six (6) months after the end of the period; and (b) made publicly available in a timely fashion and in a manner acceptable to the World Bank.

Section III. Procurement

All goods, works and services required for the Project and to be financed out of the proceeds of the Grant shall be procured in accordance with the provisions of Section III of Schedule 2 to the Grant Agreement.