February 11, 2013

The Honourable Dr. Peter Phillips
Minister of Finance and Planning
Ministry of Finance and Planning
30 National Heroes Circle
Kingston 4, Jamaica

Re: JAMAICA: SCF-PPCR Project Preparation Grant for Improving Climate Data and Information Management Project - PPCR Grant No. TF011477

Excellency:

In response to the request for financial assistance made on behalf of Jamaica ("Recipient"), I am pleased to inform you that the International Bank for Reconstruction and Development ("World Bank"), acting as an implementing entity of the Pilot Program for Climate Resilience (PPCR) under the Strategic Climate Fund ("SCF"), proposes to extend to the Recipient a grant in an amount not to exceed three hundred thousand United States Dollars (US$300,000) ("Grant") on the terms and conditions set forth or referred to in this letter agreement ("Agreement"), which includes the attached Annex, to assist in the financing of the project described in the Annex ("Project").

This Grant is funded out of the abovementioned trust fund for which the World Bank receives periodic contributions from the Donors. In accordance with Section 3.02 of the Standard Conditions (as defined in the Annex to this Agreement), 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. Accordingly, in the event that any Donor cancels or fails to pay any contributions under the trust fund to the World Bank for any reason, or that as a result of currency exchange variations the amount of funds available in the trust fund is insufficient for the purposes of the Grant, the Recipient shall bear the risk of such funding shortfall and the World Bank shall not have any liability whatsoever to the Recipient or to any third parties in respect of any expenditures or liabilities incurred by the Recipient or any third parties in connection with this Agreement which exceed the amount of funds made available to the World Bank by the Donors for the purposes of the Grant.

The Recipient represents, by confirming its agreement below, that it is authorized to enter into this Agreement and to carry out the Project in accordance with the terms and conditions set forth or referred to in this Agreement.
Please confirm the Recipient's agreement to the foregoing by having an authorized official of the Recipient sign and date the enclosed copy of this Agreement, and returning it to the World Bank. Upon receipt by the World Bank of this countersigned copy, this Agreement shall become effective as of the date of the countersignature; provided, however, that the offer of this Agreement shall be deemed withdrawn if the World Bank has not received the countersigned copy of this Agreement within thirty (30) days after the date of signature of this Agreement by the World Bank, unless the World Bank shall have established a later date for such purpose.

Very truly yours,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
acting as an Implementing Entity of the Pilot Program for Climate Resilience under the Strategic Climate Fund

By
Françoise Clottes
Director
Caribbean Country Management Unit
Latin America and the Caribbean Region

AGREED:

JAMAICA

By:
Government of Jamaica

Name: Peter D. Phillips, PhD, MP
Title: Minister of Finance and Planning
Date: 4/3/13

Enclosures:

(2) Disbursement Letter of the same date as this Agreement, together with World Bank Disbursement Guidelines for Projects, dated May 1, 2006.
Article I
Standard Conditions; Definitions


1.02. Definitions. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the Standard Conditions or in this Agreement, and the following additional terms have the following meanings:

(a) "ICT" means information and communication technology.
(b) "MSJ" means the Recipient's Meteorological Services of Jamaica established within the Ministry of Water, Land, Environment and Climate Change or any successor or successors thereto.
(c) "PIOJ" means Planning Institute of Jamaica, the Recipient's Planning Institute established pursuant to the Planning Institute of Jamaica Act dated April 6, 1984.

Article II
Project Execution

2.01. Project Objectives and Description. The objective of the Project is to support the Recipient in the preparation of the proposed Improving Climate Data and Information Management Project financed by the PPCR which aims at ensuring improved quality climate information for effective planning and action at local and national levels. The Project consists of the following parts:

(a) (i) Preparing the PPCR Project proposal documents including, inter alia, the preparation of the project appraisal document and the project's operations manual and related annexes; and (ii) carrying out national and local consultations and workshops with various stakeholders with specific attention being paid to local champions and capacity development among various stakeholders.
(b) Conducting a stock-taking and assessment of the existing technical, institutional and human resources capacity of the national meteorological services and national hydrological services and identifying gaps.
(c) Identifying modernization investments based on (b) above, including ICT enabled infrastructure and, outlining measures to ensure sustainability of said investments.
(d) (i) Reviewing existing climate/hydro-meteorological information and determining current and future user needs; (ii) initiating rescue and digitization of historical analog/paper hydromet data that may be existing in various agencies/institutions; (iii) carrying out consultations with stakeholders and sectors consuming meteorological, climatic and hydrological information to determine, among others, how best to communicate targeted information to users and how to build
and strengthen in-country ownership of hydromet services; and (iv) conducting capacity and institutional strengthening, including training for the staff of the MSJ, PIOJ staff and associated key agencies to enhance service delivery.

(e) Identifying innovative ICT enable tools including mobile and geo-referenced applications to engage citizens and stakeholders in the production and consumption of climate data and information.

(f) Providing short-term technical support to PIOJ and MSJ for Project preparation and implementation readiness, including, preparation of detailed terms of reference for activities outlined, oversight and management of activities undertaken during the project preparation phase.

2.02. Project Execution Generally. The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall carry out the Project through the PIOJ in accordance with the provisions of: (a) Article II of the Standard Conditions; (b) 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”); and (c) Article II of this Agreement.

2.03. Institutional and Other Arrangements. For purposes of carrying out the Project, the Recipient shall maintain at all times during Project implementation professional staff in adequate numbers and with terms of reference, qualifications and functions acceptable to the World Bank, to perform all Project’s related functions including, inter alia, procurement and financial management.

2.04. Donor Visibility and Visit.
(a) The Recipient and the World Bank shall mutually agree on such measures to be taken to identify publicly the SCF’s support for the Project, and the Recipient shall use its best efforts to give effect to the agreed publicity measures.

(b) For the purposes of Section 2.09 of the Standard Conditions, the Recipient shall, upon the World Bank’s request, enable the representatives of the SCF to visit any part of the Recipient’s territory for purposes related to the Project.

2.05. Project Monitoring, Reporting and Evaluation.
(a) 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 acceptable to the World Bank. Each Project Report shall cover the period of one calendar semester, and shall be furnished to the World Bank not later than one month after the end of the period covered by such report.

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

2.06. Financial Management.
(a) The Recipient shall ensure that a financial management system is maintained in accordance with the provisions of Section 2.07 of the Standard Conditions.
(b) The Recipient shall ensure that interim unaudited financial reports for the Project are prepared and furnished to the World Bank not later than one month after the end of each calendar semester, covering the semester, in form and substance satisfactory to the World Bank.

(c) The Recipient shall have its Financial Statements audited in accordance with the provisions of Section 2.07 (b) of the Standard Conditions. Each 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 months after the end of such period.

2.07. **Procurement.**

(a) **General.** All goods 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:


(ii) 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

(iii) the provisions of this Section, 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").

(b) **Definitions.** The capitalized terms used in the following paragraphs of 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.

(c) **Particular Methods of Procurement of Goods.**

(i) Except as otherwise provided in sub-paragraph (ii) below, goods shall be procured under contracts awarded on the basis of International Competitive Bidding.

(ii) The following methods, other than National Competitive Bidding, may be used for procurement of goods for those contracts specified in the Procurement Plan: (A) National Competitive Bidding; (B) Shopping; and (C) Direct Contracting.
Particular Methods of Procurement of Consultants’ Services.

(i) Except as otherwise provided in item (ii) below, consultants’ services shall be procured under contracts awarded on the basis of Quality- and Cost-based Selection.

(ii) The following methods may be used for the 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; and (F) Selection of Individual Consultants.

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.

Article III
Withdrawal of Grant Proceeds

3.01. Eligible Expenditures.

(a) The Recipient may withdraw the proceeds of the Grant in accordance with the provisions of: (i) the Standard Conditions; (ii) this Section; and (iii) such additional instructions as the World Bank may specify by written 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 following table. The table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Grant (“Category”), the allocations of the amounts of the Grant to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Grant Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goods and consultants’ services, Training and Operating Costs</td>
<td>300,000</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>300,000</td>
<td></td>
</tr>
</tbody>
</table>

(b) For the purpose of this Section the term:

(i) “Training” means expenditures, excluding consultants’ services, incurred by the Recipient, including seminars, workshops, conference and study tours, and costs associated with such activity including travel and subsistence costs for training
participants, costs of securing the services of trainers, rental of training facilities, purchase of training materials, preparation and reproduction of training materials and other costs directly related to course preparation and implementation; and

(ii) "Operating Costs" means the reasonable incremental operating expenses incurred by the Recipient on account of the Project preparation implementation, management and monitoring including on account of operation and maintenance costs of office and office equipment; office supplies, additional staff costs, travel and supervision costs, per diem, but excluding the salaries and indemnities of officials and public servants of the Recipient's civil service.

3.02. *Withdrawal Conditions.* Notwithstanding the provisions of Section 3.01 of this Agreement, no withdrawal shall be made for payments made prior to the date of countersignature of this Agreement by the Recipient.

3.03. *Withdrawal Period.* The Closing Date referred to in Section 3.06(c) of the Standard Conditions is eighteen (18) months after the date of countersignature of this Agreement by the Recipient.

**Article IV**

**Recipient's Representative; Addresses**

4.01. *Recipient's Representative.* The Recipient’s Representative referred to in Section 7.02 of the Standard Conditions is its Minister of Finance and Planning.

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

Ministry of Finance and Planning  
30 National Heroes Circle  
Kingston 4, Jamaica

Facsimile:

876-924-9291

4.03. *World Bank's Address.* 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

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