February 23, 2016

Lu Weifeng  
Vice Governor  
Heilongjiang Province

Sui Zhongcheng  
Governor  
Jilin Province

Re: GEF Grant No. TF0A1988  
Landscape Approach to Wildlife Conservation in Northeast China Project

Dear Mr. Lu and Mr. Sui:

In response to the request for financial assistance made on behalf of the People's Republic of China ("Recipient"), I am pleased to inform you that the International Bank for Reconstruction and Development ("World Bank"), acting as an implementing agency of the Global Environment Facility ("GEF"), proposes to extend to the Recipient a grant in an amount not to exceed three million United States Dollars ($3,000,000) ("Grant") on the terms and conditions set forth or referred to in the letter agreement ("Letter Agreement") of same date between the Recipient and the World Bank, to assist in the financing of the project described in the Annex to the Letter Agreement ("Project").

In connection with the Letter Agreement, the World Bank and Heilongjiang Province ("Heilongjiang") and Jilin Province ("Jilin") agree as follows:

(a) Each of Heilongjiang and Jilin declare their commitment to the objective of the Project. To this end, each of Heilongjiang and Jilin shall: (a) carry out its Respective Part of the Project, with due diligence and efficiency and in conformity with appropriate administrative, technical, economic, environmental and social standards and practices; and (b) provide, or cause to be provided, promptly as needed, the funds, facilities, services and other resources required for its Respective Part of the Project.

(b) Without limitation upon the provisions of paragraph (a), and except as the World Bank, Heilongjiang and Jilin shall otherwise agree, each of Heilongjiang and Jilin shall carry out its Respective Part of the Project in accordance with the provisions of the Annex to this Agreement.
(c) Each of Heilongjiang and Jilin shall carry out the obligations set forth in Sections 2.02, 2.03, 2.04 and 2.05 of the Standard Conditions (relating to insurance, land acquisition, use of goods, works and services and maintenance of facilities, and documents and records) in respect of this Agreement and the Project.

(d) Each of Heilongjiang and Jilin shall cooperate fully to assure that the purposes of the Grant and the objectives of the Project will be accomplished and: (a) at the request of the World Bank, exchange views with the World Bank with regard to the Project, the Grant, and the performance of its obligations under this Agreement, and furnish to the World Bank all such information related to such matters as it shall reasonably request; and (b) promptly inform the Bank of any condition which interferes with, or threatens to interfere with, such matters.

Each of Heilongjiang and Jilin represent, by confirming their agreement below, that they are 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 Heilongjiang and Jilin’s agreement to the foregoing by having an authorized official of the Heilongjiang and Jilin, respectively sign and date the enclosed copy of this Agreement, and returning it to the World Bank.

Very truly yours,

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

By
Bert Hofman
Country Director, China

AGREED:
HEILONGJIANG PROVINCE
HEILONGJIANG FORESTRY DEPARTMENT

By
Authorized Representative

Name

Title

Date 2016. ?7
AGREED:
JILIN PROVINCE
JILIN WILD ANIMAL AND PLANT PROTECTION ASSOCIATION

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 the Letter Agreement.

Article II
Project Execution

2.01 Institutional Arrangements. (a) Heilongjiang shall maintain, and cause to be maintained, the following organizations, with terms of reference, powers, functions and other resources acceptable to the World Bank, including competent staff in adequate numbers, throughout the period of Project implementation:

(i) the Heilongjiang Provincial Project Management Units responsible for implementation, coordination, management, monitoring and evaluation of the activities under its Respective Part of the Project; and

(ii) the Heilongjiang Project Entities responsible for implementation of the Project within their respective jurisdiction at the county level.

(b) Jilin shall maintain, and cause to be maintained, the following organizations, with terms of reference, powers, functions and other resources acceptable to the World Bank, including competent staff in adequate numbers, throughout the period of Project implementation:

(i) the Jilin Provincial Project Management Unit responsible for implementation, coordination, management, monitoring and evaluation of the activities under its Respective Part of the Project; and

(ii) the Jilin Project Entities responsible for implementation of the Project within their respective jurisdiction at the county level.

(c) The Project Implementing Entities shall maintain, throughout the period of Project implementation, a committee, with terms of reference, powers, functions and other resources acceptable to the World Bank, including competent staff in adequate numbers, to provide technical support to Project implementation.

2.02 Annual Work Plans and Budgets. (a) Each Project Implementing Entity shall:

(i) prepare, by no later than December 15 of each year, beginning in 2016, (i) a draft work plan, including a work program, procurement plan and budget, and documented evidence of adequate committed counterpart funding for each activity to be financed under its Respective Parts of the Project; and (ii) a draft plan for
supervision of its Respective Part of the Project, in accordance with guidelines acceptable to the World Bank; and

(ii) afford the World Bank a reasonable opportunity to exchange views with Recipient and the Project Implementing Entities on said work plans and any proposed revisions by the Project Provinces, and

(iii) thereafter, taking into account the Recipient’s and the World Bank’s comments, finalize and provide to the Recipient and the World Bank said annual work plan for the following calendar year.

(b) Each Project Implementing Entity shall carry out its Respective Part of the Project in accordance with the Annual Work Plans and Budgets as annually reviewed and approved by the World Bank, as provided for in the preceding paragraph, in a manner satisfactory to the World Bank and shall not amend, suspend, or waive the said plan or any part thereof without the prior written agreement of the World Bank. In the event of any inconsistency between the Annual Work Plan and Budget and the provisions of this Agreement or the Letter Agreement, the provisions of this Agreement and the Letter Agreement shall prevail.

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

2.04. Safeguards. (a) Each Project Implementing Entity shall carry out its Respective Part of the Project, in accordance with the provisions of the Safeguards Instruments; and, except as the World Bank shall otherwise agree in writing, the Project Implementing Entities shall not assign, amend, abrogate, or waive, or permit to be assigned, amended, abrogated, or waived, the aforementioned, or any provision thereof. In the event of any inconsistency between the Safeguards Instruments and this Agreement, the provisions of this Agreement shall prevail.

(b) Without limitation upon the foregoing, each Project Implementing Entity shall:

(i) take all necessary actions to minimize, to the extent possible, any involuntary loss by persons of shelter, productive assets or access to productive assets or income or means of livelihood, temporarily or permanently, in carrying out its Respective Part of the Project and activities described in subparagraph (ii) below;

(ii) where the acquisition of land or assets or the displacement of people is unavoidable, before initiating the implementation of any works which would result in such acquisition or displacement, make available to such people compensation and, as applicable, relocate and rehabilitate the Affected Persons in accordance with the Resettlement Policy Framework and the Resettlement Action Plans, and in a manner satisfactory to the World Bank;

(iii) whenever a RAP, Co-Management Plan or Village Development Plan shall be required for any proposed Project activity in accordance with the provisions of the Resettlement Policy Framework or the Process Framework, the respective Project Implementing Entity shall, prior to the commencement of such activity, proceed to have such RAP, Co-Management Plan or Village Development Plan (A) prepared in accordance with the provisions of the Resettlement Policy Framework or the Process Framework; (B) furnished to the World Bank for
(iv) ensure that each contract for works financed with the proceeds of the Grant shall include the obligations of the work contractors and any sub-contractor to comply with the relevant provisions of the Safeguards Instruments.

(b) Each Project Implementing Entity shall ensure that all studies and technical assistance to be supported under the Project are carried out under terms of reference satisfactory to the World Bank, and that such terms of reference are consistent with, and pay due attention to, the World Bank’s Safeguards Policies.

(c) Each Project Implementing Entity shall not amend, suspend, fail to implement or waive the Safeguards Instruments, or any provision thereof, without the prior written concurrence of the World Bank. In the event of any inconsistency between the provisions of the Safeguards Instruments, and the provisions of this Agreement or the Letter Agreement, the provisions of this Agreement and the Letter Agreement shall prevail.

(d) Each Project Implementing Entity shall 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.

(e) Without limitation to the provisions of previous paragraphs of this Part C or the provisions of paragraph A.1 of Section II below, each Project Implementing Entity, shall 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:

(i) measures taken in furtherance thereof;

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

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

2.06. Project Monitoring, Reporting and Evaluation. (a) Each Project Implementing Entity shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of 2.06 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 (1) calendar semester, and shall be furnished to the World Bank and the Recipient not later than forty-five (45) days after the end of the period covered by such report.

(b) Without limitation to the provisions of sub-paragraph (a) above, each Project Implementing Entity shall prepare, under terms of reference satisfactory to the World Bank, and furnish to the World Bank no later than June 30, 2017, a mid-term review report for the Project, summarizing the result of the monitoring and evaluation activities carried out from the inception of the Project, and setting out the measures recommended to ensure the efficient completion of the Project and the achievement of the objectives thereof during the period following such data.

(c) Each Project Implementing Entity shall provide to the Recipient, not later than three (3) months after to the Closing Date, for incorporation in the report referred to in Section 2.06 (b) (ii)
of the Standard Conditions all such information as the Recipient or the World Bank shall reasonably request for the purposes of that Section.

2.07 **Financial Management.** (a) Each Project Implementing Entity shall 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 Project.

(b) Without limitation to the provisions of sub-paragraph (a) above, each Project Implementing Entity shall prepare and furnish to the World Bank, not later than forty-five (45) days after the end of each calendar semester, interim unaudited financial reports for the Project covering the semester, in form and substance satisfactory to the World Bank.

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

2.08. **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 2.10 of the Annex to the Letter Agreement.

**ARTICLE III**

**Effectiveness; Termination**

3.01. This Agreement shall come into force and effect on the date upon which the Letter Agreement becomes effective.

3.02. This Agreement and all obligations of the World Bank and the Project Implementing Entities thereunder shall terminate on the date on which the Letter Agreement shall terminate in accordance with its terms, and the World Bank shall promptly notify the Project Implementing Entities thereof.

3.03. Unless otherwise terminated pursuant to Section 3.02 above, all the provisions of this Agreement shall continue in full force and effect notwithstanding any cancellation, suspension or refund under the Standard Conditions, for a period of ten (10) years after the date of this Agreement.

**Article IV**

**Project Implementing Entities’ Representative; Addresses**

4.01. **Project Implementing Entities’ Representative.** The Project Implementing Entities’ Representative is on behalf of:

(a) Heilongjiang its Governor or a Vice Governor or such other person or persons as said Governor or a Vice Governor shall designate in writing, and Heilongjiang shall furnish to the World Bank sufficient evidence of the authority and the authenticated specimen signature of each such person; and
(b) Jilin its Governor or a Vice Governor or such other person or persons as said Governor or a Vice Governor shall designate in writing, and Jilin shall furnish to the World Bank sufficient evidence of the authority and the authenticated specimen signature of each such person.

4.02. **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

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

4.03. **Project Implementing Entities’ Address.** The Project Implementing Entities’ Address is:

For Heilongjiang:

Heilongjiang Forestry Department  
No. 10 Hengshan Road  
Xiangfang District  
Harbin City, 150090

Tel/Fax: 0451 82346436

Heilongjiang Forestry Industry Bureau  
No. 129, Wenchang Street  
Nangang District  
Harbin City, 150008

Tel: 0451-82811528, Fax: 0451-87011009

For Jilin:

Jilin Wildlife Conservation Association  
Jilin Forestry Department  
3698 Yataidajie  
Changchun City, 130022

Tel: 0431-88626628, Fax: 0431-88627529