Global Environment Facility
Grant Agreement
(Reduction and Phase-out of PFOS in Priority Sectors Project)
between
PEOPLE'S REPUBLIC OF CHINA
and
INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT
acting as an Implementing Agency of the Global Environment Facility

Dated June 6, 2017
GLOBAL ENVIRONMENT FACILITY
GRANT AGREEMENT

AGREEMENT dated June 6, 2017, 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 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, through MEP, 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 not to exceed twenty-four million two hundred fifty thousand United States Dollars ($24,250,000) ("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(s) 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(s) 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:

(a) The execution and delivery of this Agreement on behalf of the Recipient has been duly authorized or ratified by all necessary governmental action.

(b) Each Implementation Agreement referred to in Section LB of Schedule 2 to this Agreement has been executed on behalf of the Recipient, through MEP, and the respective Project Province.

4.02. As part of the evidence to be furnished pursuant to Section 4.01 (a), 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 Recipient, showing, 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 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 has 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. 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 V
Recipient's Representative; Addresses

5.01. The Recipient’s Representative referred to in Section 7.02 of the Standard Conditions is its Minister of Finance.

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

Ministry of Finance
Sanlihe
Xicheng District
Beijing 100820
People's Republic of China

Facsimile:
(86-10) 6855-2074

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, D.C. 20433
United States of America

Facsimile:
1-202-477-6391
AGREED at Beijing, People's Republic of China, as of the day and year first above written.

PEOPLE'S REPUBLIC OF CHINA

By

Authorized Representative

Name: Wang Zhong
Title: Deputy Director General

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

By

Authorized Representative

Name: Bert Hofman
Title: Country Director, China
SCHEDULE 1

Project Description

The objective of the Project is to reduce PFOS in selected sectors and enterprises in China in a sustainable manner.

The Project consists of the following parts:

Part 1: PFOS Production Reduction

Supporting the reduction of PFOS and PFOSF production through, *inter alia:*
(a) conversion of PFOS and PFOSF production facilities; (b) PFOS and PFOSF plant or production line closure(s); and (c) promotion of cleaner PFOS and PFOSF production.

Part 2: Reduction of PFOS Use

Supporting the use of non-PFOS alternatives and reducing releases of PFOS in the metal plating sector, the firefighting foam and the pest control sector.

Part 3: Policy and Technical Assistance

Strengthening the regulatory and policy framework, the standards, and institutional capacity for sustainable PFOS phase-out, including, *inter alia:*
(a) the development of standards, good practices, and regulations supporting the introduction of non-PFOS alternatives; (b) the establishment of a PBT screening system for new chemicals; (c) the carrying out of technical studies and testing; (d) provision of technical assistance to reduce the use of PFOS in firefighting, including the revision of firefighting regulations and training manual to eliminate the use of PFOS; (e) provision of technical assistance to eliminate the use of PFOS for pest control, including carrying out of demonstration and training for alternative pest management techniques and practices; and (f) the strengthening of the regulatory, monitoring and reporting capacity of relevant central and local agencies, including the establishment of a tracking system for PFOS and PFOSF producer registration.

Part 4: Project Management

Provision of technical and operational assistance for the overall Project management and implementation, including among others, monitoring and evaluation, procurement and financial management, and environmental and social safeguards at the central and local level.
Schedule 2
Project Execution

Section I. Institutional and Other Arrangements

A. Implementation Arrangements

1. For the purpose of carrying out the Project, the Recipient, through MEP, shall maintain, and cause to be maintained, the following entities with composition, powers, functions, staffing, facilities and other resources satisfactory to the World Bank:

   (a) The National Coordinating Group for Stockholm Convention Implementation responsible for providing overall policy, financial, and institutional guidance on Project implementation and facilitating coordination among different implementing agencies; and

   (b) The Project Management Office responsible for implementation, coordination, reporting, management, and monitoring and evaluation of the activities under the Project, including the preparation of the consolidated Annual Work Plans.

2. For the purpose of carrying out the Project within the jurisdiction of the Project Provinces, the Recipient, through MEP, shall cause each Project Province to maintain the following entities with composition, powers, functions, staffing, facilities and other resources satisfactory to the World Bank:

   (a) a steering committee, responsible for providing overall policy, financial and institutional guidance on Project implementation and facilitating coordination among different implementing agencies within its respective jurisdiction; and

   (b) the Provincial Project Management Office responsible for implementation of the Project at the provincial level, and coordinating day-to-day activities, monitoring Project implementation at the provincial level and preparing Project annual work plans and semi-annual progress and financial reports for submission to the Project Management Office for consolidation and onward submission to the World Bank.

B. Implementation Agreements

1. For the purpose of carrying out the Project, the Recipient, through MEP, shall enter into an Implementation Agreement with each Project Province on terms and conditions satisfactory to the World Bank.
2. The Recipient, through MEP, shall exercise its rights under each Implementation Agreement in such manner as to protect the interests of the Recipient and the interests of the World Bank and to accomplish the purposes of the Project. Except as the World Bank shall otherwise agree, the Recipient, through MEP, shall not assign, amend, abrogate or waive the Implementation Agreement or any of its provisions.

C. Anti-Corruption

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

D. Annual Work Plans and Project Implementation Manual

1. The Recipient, through MEP, shall: (a) carry out activities under the Project during each fiscal year in accordance with Annual Work Plans agreed with the World Bank; (b) prepare and furnish to the World Bank by September 30 in each year, beginning in 2017, a draft Annual Work Plan for review and comment, summarizing the implementation progress of the Project for the said year and the Project activities to be undertaken for the following calendar year, including the proposed annual budget for the Project; (c) taking into account the World Bank’s comments, finalize and furnish to the World Bank no later than November 30 in each year, beginning in 2017, the Annual Work Plan, satisfactory to the World Bank; and (d) thereafter, ensure the implementation of the Project during the following calendar year in accordance with the Annual Work Plan, in a manner satisfactory to the World Bank. The Recipient, through MEP, shall not amend, suspend, abrogate, or waive said Annual Work Plans or any provision thereof without the prior approval of the World Bank.

2. Throughout the implementation of the Project, the Recipient, through MEP, shall carry out and cause the Project to be carried out in accordance with the arrangements and procedures set out in the Project Implementation Manual in a manner satisfactory to the World Bank. The Recipient, through MEP, shall, and shall cause the Project Provinces to, not amend, suspend, or waive said Project Implementation Manual or any provision or schedule thereof, without the prior written agreement of the World Bank. In the event of any inconsistency between the provisions of the Project Implementation Manual and those of this Agreement, the provisions of this Agreement shall prevail.

E. Safeguards

1. In carrying out the Project, the Recipient, through MEP, shall, and shall cause the Project Provinces to:

(a) 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, and the
displacement of said people in the carrying out of the Project or any part thereof;

(b) 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 Displaced Persons in accordance with the RAPs and in a manner satisfactory to the World Bank; and

(c) whenever required in terms of the ESMF or the RPF, proceed to have an EMP or EMPs, and a RAP or RAPs, respectively: (i) prepared in form and substance satisfactory to the World Bank; (ii) except as otherwise agreed with the World Bank, submitted to the World Bank for review and approval; (iii) thereafter, adopted and publicly disclosed; and (iv) thereafter, implemented, or cause to be implemented, in accordance with their terms and in a manner acceptable to the World Bank.

2. The Recipient, through MEP, shall implement, and shall cause the Project Provinces to implement, the Safeguards Instruments in a manner and substance satisfactory to the World Bank.

3. The Recipient, through MEP, shall ensure, and cause the Project Provinces to 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.

4. The Recipient, through MEP, shall not, and shall cause the Project Provinces not to amend, suspend, or waive the Safeguards Instruments, or any provision thereof, without the prior written concurrence of the World Bank.

5. The Recipient, through MEP, shall maintain, and shall cause the Project Provinces to maintain, policies and procedures adequate to enable them to monitor and evaluate, in accordance with guidelines acceptable to the World Bank, the implementation of the Safeguards Instruments.

6. Without limitation to the provisions of paragraphs 1 through 5 of this Section I.E, or the provisions of Section II.A below, the Recipient, through MEP, shall take, and cause the Project Provinces to take, all measures necessary on their part to regularly collect, compile, and submit to the World Bank, as part of the Project Reports, and promptly in a separate report whenever the circumstances warrant, 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.

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

F. Performance Sub-grants

1. For the purposes of carrying out certain activities under Parts 1 and 2 of the Project, the Recipient, through MEP and the Project Provinces, shall provide Performance Sub-grants to Eligible Enterprises, within their respective jurisdictions in accordance with eligibility criteria and procedures acceptable to the World Bank and set out in the Project Implementation Manual.

2. The Recipient, through MEP and the Project Provinces, shall provide each Performance Sub-grant under a Performance Sub-grant Agreement with the respective Eligible Enterprise, on terms and conditions approved by the World Bank and set out in the Project Implementation Manual.

3. The Recipient, through MEP and the Project Provinces, shall, through each Performance Sub-grant Agreement, obtain rights adequate to protect its interests and those of World Bank, including the right to:

   (a) suspend or terminate the right of the Eligible Enterprise to use the proceeds of the Performance Sub-grant, or obtain a refund of all or any part of the amount of the Performance Sub-grant then withdrawn, upon the Eligible Enterprise's failure to perform any of its obligations under the Performance Sub-grant Agreement; and

   (b) require each Eligible Enterprise to:

      (i) carry out its supported activities 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, including in accordance with the provisions of the Anti-Corruption Guidelines applicable to recipients of loan proceeds other than the Recipient, the Project Implementation Manual, and the Safeguard Instruments;

      (ii) provide, promptly as needed, the resources required for the purpose;
(iii) as appropriate, procure or use the goods and services to be financed out of the Performance Sub-grant, in accordance with the provisions of this Agreement;

(iv) 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 supported activities and the achievement of their objectives;

(v) (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 supported activities; and (B) at the Recipient's, the World Bank's or the respective Project Province's request, have such financial 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 statements as so audited to the Recipient, the World Bank or the respective Project Province;

(vi) enable the Recipient, the World Bank or the respective Project Province to inspect the supported activities and any relevant records and documents; and

(vii) prepare and furnish to the Recipient, the World Bank or the respective Project Province all such information as the Recipient, the World Bank or the respective Project Province shall reasonably request relating to the foregoing.

4. The Recipient, through MEP and the Project Provinces, shall: (a) exercise its rights under each Performance Sub-grant Agreement, in such manner as to protect the interests of the Recipient, the World Bank or the respective Project Province and to accomplish the purposes of the Grant; and (b) maintain, throughout the period of implementation of the Project, a grievance redress mechanism acceptable to the World Bank and set out in the Project Implementation Manual, to address any complaints associated with the Performance Sub-grants. Except as the Recipient, through MEP, and the World Bank shall otherwise agree, the Recipient, through MEP and the Project Provinces, shall to not assign, amend, abrogate or waive any Performance Sub-grant Agreement, or any of their provisions.

5. In the event of any inconsistency between the provisions of the Performance Sub-grant Agreement and those of this Agreement, the provisions of this Agreement shall prevail.
Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports, Mid-term Review, Completion Report

1. The Recipient, through MEP, 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 Implementation Manual. Each Project Report shall cover the period of one (1) 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.

2. Without limitation to the provisions of paragraph A.1 above, the Recipient, through MEP, shall prepare, under terms of reference satisfactory to the World Bank, and furnish to the World Bank no later than September 30, 2019, 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 date.

3. Without limitation to the provisions of paragraphs A.1 and A.2 above, the Recipient, through MEP, shall prepare, under terms of reference satisfactory to the World Bank, and furnish to the World Bank by February 15 in each year, beginning in 2019, a report designed to monitor the expiration of the specific exemptions for PFOS and PFOSF production and use, in accordance with the Stockholm Convention.

4. The Recipient, through MEP, shall 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 not later than three (3) months after the Closing Date.

B. Financial Management; Financial Reports; Audit

1. The Recipient, through MEP, 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, through MEP, 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 semester, covering the semester, in form and substance satisfactory to the World Bank.

3. The Recipient, through MEP, 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, 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 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.

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 Section II and III of the Procurement Guidelines, or Section II, III, IV and V of the Consultant Guidelines, as the case may be.

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, as set forth in the Project Implementation Manual.

   The procedures applicable to the procurement of goods, works, 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, Paragraphs 3.3 and 3.4 of Section III, and Appendix 1 of 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 national 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, or works contracts that are estimated to cost less than $2,000,000 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 (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) Prequalification procedures and documents acceptable to the World Bank shall be used for large, complex and/or specialized works. 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 pre-qualification documents shall be allowed to bid, and there shall be no limit on the number of pre-qualified bidders. Where pre-qualification 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 contracts for works and single-responsibility contracts shall be required to provide performance security in an amount sufficient to protect the Recipient or the Project Implementing Entity / Entities, as the case may be, 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 or the Project Implementing Entity / Entities, as the case may be. Rejection of all bids or re-bidding 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 no-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, works, 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 procurement.

(xvii) Matters such as subcontracting, joint venture relationships and assignment of contract shall be handled in accordance with the bidding documents.

(xviii) The results of bid evaluation and contract award shall be published in the national or provincial press (as provided under paragraph (ii) above) or official gazette or a free and open-access website and shall identify: (A) the name of each bidder who submitted a bid; (B) bid prices as read out at bid opening; (C) the name of the bidder, and the evaluated price, of each bid that was evaluated; (D) the names of bidders whose bids were either rejected as non-responsive or not meeting qualification criteria, or not evaluated, with the reasons therefor; and (E) the name of the winning bidder and the final total contract price, as well as the duration and summary scope of the contract. Such publication shall be within two (2) weeks of receiving the World Bank’s no-objection to the award recommendation for contracts subject to the World Bank’s prior review, and within two (2) weeks of the Recipient’s award decision for contracts subject to the World Bank’s post review. The bidding documents shall
(xix) The Recipient or the Project Implementing Entity / Entities, as the case may be, shall have in place an effective and independent protest mechanism for bidders to protest. The bidding documents shall provide the professional title and address of the official to whom such protests should be sent.

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) Procedures set forth in paragraphs 5.2 and 5.3 of the Consultant Guidelines for the Selection of Individual Consultants; and (g) 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

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 "Disbursement Guidelines for Investment Project Financing" dated February 2017, 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 allocation 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) Performance Sub-grants under Parts 1 and 2 of the Project</td>
<td>12,050,000</td>
<td>100% of amount disbursed</td>
</tr>
<tr>
<td>(2) Goods, non-consulting services, consultants' services, Training and Incremental Operating Costs under Parts 1, 2, 3 and 4 of the Project</td>
<td>12,200,000</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>24,250,000</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, except that withdrawals up to an aggregate amount not to exceed US$ 2,000,000 may be made for payments made prior to this date but on or after July 1, 2016, for Eligible Expenditures.

2. The Closing Date referred to in Section 3.06 (c) of the Standard Conditions is March 31, 2023.

Section V. Other Undertakings

Without prejudice to the provisions of Section IV above, the withdrawal of Performance Sub-grant under Category (1) shall be made upon the submission of evidence satisfactory to the World Bank verifying the performance of the Eligible Enterprise, in accordance with the Project Implementation Manual and the Performance Sub-grant Agreement.
APPENDIX

Definitions

1. "Annual Work Plans" means the consolidated work plan of activities, associated resources, procurement packages, Training, Incremental Operating Costs and budgetary allocations required for a given fiscal year of the Recipient for Project implementation, to be prepared by the Recipient pursuant to Section I.D.1 of Schedule 2 to this Agreement.


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


5. "Displaced Persons" means persons who, on account of the execution of the Project, have experienced or would experience direct economic and social impacts caused by: (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 such persons 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 such persons; and a "Displaced Person" means any of such Displaced Persons.

6. "Eligible Enterprise" means a private sector enterprise duly established under the laws of the Recipient and the Project Province that meets the criteria set out in the Project Implementation Manual and which shall receive a Performance Sub-grant under Parts 1 and 2 of the Project.

7. "Employee Resettlement Plan Framework" means the Recipient's employee resettlement plan framework for the Project, acceptable to the World Bank, dated January 17, 2017, which sets out the policies and procedures for employee retrenchment as may be required for Project activities, as said framework may be revised from time to time with the prior written agreement of the World Bank; and such term includes all schedules and annexes supplemental thereto.

8. "Environmental and Social Management Framework" and "ESMF" mean the framework dated January 17, 2017, prepared and publicly disclosed by the Recipient, and approved by the World Bank, which sets out, among other things: (i) key
principles for social and environmental management of the Project; (ii) procedures to screen and process the Project for significant social and environmental impacts, and to assist in mitigating these impacts; and (iii) guidelines for capacity building and monitoring; as such framework may be modified from time to time with the prior written agreement of the World Bank, and such term includes any annexes or schedules to such framework.

9. "Environmental Management Plan" and "EMP" mean, collectively, each of the environmental management plans for the Project, prepared or to be prepared by the Recipient, all acceptable to the World Bank, in accordance with the ESMF, setting forth the environmental protection measures, including measures for the protection of natural habitats, in respect of the Project, as well as administrative, monitoring, supervision and training arrangements to ensure the implementation of said plan, as said plan may be revised from time to time with the prior written agreement of the World Bank; and such term includes all schedules and annexes supplemental thereto.

10. "Foreign Economic Cooperation Office" and "FECO" mean the Foreign Economic Cooperation Office established within MEP, as defined herein, responsible for managing and coordinating the Project, or any successor thereto.

11. "Implementation Agreement" means, in respect of each Project Province, the agreement entered into between the Recipient, through MEP, and said Project Province, in accordance with the provisions of Section LB of Schedule 2 to this Agreement, as the same may be amended from time to time with the approval of the World Bank, and the term "Implementation Agreements" means the plural thereof.

12. "Incremerital Operating Costs" means the operating costs of the Project incurred by FECO on its own and for the Project Provinces on the basis of the Annual Work Plans 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, or the Project Provinces' civil service.

13. "Ministry of Environmental Protection" and "MEP" mean the Recipient's Ministry of Environmental Protection or any successor thereto.

14. "National Coordinating Group for Stockholm Convention Implementation" means the group established in May 2005, to be maintained in accordance with the provisions of Section I.A.1 (a) of Schedule 2 to this Agreement, or any successor thereto.

15. "PBT" means persistent, bio accumulative and toxic.
16. "Performance Sub-grant" means a grant to be provided out of the proceeds of the Grant to an Eligible Enterprise under Parts 1 and 2 of the Project, for the purposes of financing goods, non-consulting services, consultants' services for certain activities under Part 1 and Part 2 of the Project against verified performance, and as set out in the Performance Sub-grant Agreement, as provided for in Section LF of Schedule 2 to this Agreement.

17. "Performance Sub-grant Agreement" means each tripartite agreement to be entered into between MEP, a Project Province and an Eligible Enterprise providing for a Performance Sub-grant, as provided for in Section LF of Schedule 2 to this Agreement.

18. "Pest Management Plan" means the Recipient's plan, acceptable to the World Bank, dated January 17, 2017, setting out, among other things, the measures to promote and support safe, effective, and environmentally sound pest management under the Project; as said plan may be revised from time to time with the prior written agreement of the World Bank, and such term includes all schedules and annexes supplemental thereto.

19. "PFOS" means perfluorooctane sulfonate.

20. "PFOSF" means perfluorooctane sulfonate fluoride.


22. "Procurement Plan" means the Recipient's procurement plan for the Project dated January 25, 2017, 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.

23. "Project Implementation Manual" means the Recipient's manual dated January 25, 2017, describing, among other things: (a) the Project objective, Project activities and arrangements, satisfactory to the World Bank, flow of funds of the proceeds of the Grant and agreed procedures in, inter alia, procurement, financial management and disbursement; (b) the institutional arrangements for the implementation of the Project, and the roles and responsibilities of the entities involved in Project implementation; (c) arrangements satisfactory to the World Bank for social and environment safeguards screening and mitigation; (d) steps and procedures for Project implementation; (e) monitoring and evaluation, reporting and information disclosure arrangements, and the indicators and targets for purposes of monitoring and evaluation of the progress of the Project; and (f) the eligibility criteria and procedures for extending Performance Sub-grants, including templates of Performance Sub-grant Agreements, and grievance redress mechanisms in connection thereof.
24. "Project Management Office" means the office established within FECO in March 2015, and referred to in Section I.A.1 (b) of Schedule 2 to this Agreement, or any successor thereto.

25. "Project Provinces" means, collectively, the Recipient's Provinces of Guangdong and Hubei, or such other province of the Recipient as agreed with the World Bank.

26. "Provincial Project Management Office" means, collectively: (a) the office established within the Publicity, Education, Exchange and Cooperation office of Guangdong's Environmental Protection Bureau in April 2016; and (b) the office established within the Solid Waste Management and Center of Hubei's Environmental Protection Bureau in April 2016; and referred to in Section I.A.2 (b) of Schedule 2 to this Agreement, or any successor thereto.

27. "Resettlement Action Plan" and "RAP" mean each of the resettlement action plans for the Project, prepared or to be prepared by the Recipient, acceptable to the World Bank, setting forth, inter alia: (i) the principles and procedures governing the acquisition of land required for the Project and related facilities; (ii) actions and measures for the payment of compensation to Displaced Persons and for their resettlement and rehabilitation; (iii) the criteria and procedures for developing and implementing actions and measures, satisfactory to the World Bank, for mitigating the adverse social impacts resulting from the implementation of activities in locations that are not directly identified in the RAP; (iv) grievance redress mechanisms; and (v) reporting and monitoring arrangements to ensure compliance with said plan, as the same may be revised from time to time with the prior written agreement of the World Bank; and such term includes all attachments and annexes supplemental to said plan.

28. "Resettlement Policy Framework" means the Recipient’s resettlement policy framework for the Project, acceptable to the World Bank, dated January 19, 2017, which sets out the policies and procedures for the acquisition of land and other assets, compensation, resettlement and rehabilitation of Displaced Persons, and for the preparation of RAPs as may be required for Project activities, as said framework may be revised from time to time with the prior written agreement of the World Bank; and such term includes all schedules and annexes supplemental to said framework.

29. "Safeguard Instruments" means collectively, the Environmental and Social Management Framework, the Pest Management Plan, the Resettlement Policy Framework, the Employee Resettlement Plan Framework, and any Environmental Management Plans and any Resettlement Action Plans that may be prepared under the Project, as well as any schedules and annexes supplemental to said instruments.

31. "Training" means the cost of training financed under the Project, incurred on the basis of the Annual Work Plans, attributable to seminars, study tours, and workshops, along with the services of trainers, rental of training facilities, preparation and reproduction of training materials, and other activities directly related to training preparation and implementation.