Saint Lucia Disaster Vulnerability Reduction Project-EDF
Grant Agreement

(Additional Financing for the Disaster Vulnerability Reduction Project)

between

SAINT LUCIA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

acting as administrator of the Saint Lucia Disaster Vulnerability Reduction Project – EDF Trust Fund

Dated July 19, 2017
AGREEMENT dated July 19, 2017, entered into between: SAINT LUCIA ("Recipient"); and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association" or "World Bank"), acting as administrator of the Saint Lucia Disaster Vulnerability Reduction Project-EDF Trust Fund, for the purpose of providing additional financing for the activities related to the objective of the Original Project.

WHEREAS the Recipient and the Association, intend to enter into a financing agreement ("Financing Agreement") for the purpose of providing a credit in an amount of one million six hundred twenty thousand Dollars ($1,620,000) ("Financing") to the Recipient to assist in financing Parts A.3, B and E of the Project, on the terms and conditions set forth in the Financing Agreement.

NOW, THEREFORE, the Recipient and the World Bank hereby agree as follows:

Article I
Standard Conditions; Definitions

1.01. The Standard Conditions (as defined in 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 this Agreement.

Article II
The Project

2.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall: (a) carry out Parts A, B, D and E of the Project through the Department of Economic Development, Transport and Civil Aviation ("DEDTCA") of the Ministry of Economic Development, Housing, Urban Renewal, Transport and Civil Aviation ("MoED"), and (b) cause Part C of the Project to be carried out by Saint Lucia Development Bank ("SLDB") ("Project Implementing Entity"), all in accordance with the provisions of Article IV of the General Conditions, the Project Agreement and the Subsidiary Agreement.

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 four million nine hundred forty thousand Euros (€4,634,190) ("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 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 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 indicating that the conditions specified below have been satisfied.

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

(b) The Financing Agreement has been executed and delivered and all conditions precedent to the effectiveness of, or to the right of the Recipient to make withdrawals under, the Financing Agreement (other than the effectiveness of this Agreement) have been fulfilled.

4.02. As part of the evidence to be furnished pursuant to Section 4.01 (a), the Recipient shall furnish 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 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 one hundred and twenty (120) 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 the Minister of Finance.

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

Ministry of Finance, Economic Growth,  
Job Creation, External Affairs and Public Service  
5th Floor, Graham Louisy - Administrative Building  
Waterfront, Castries  
Saint Lucia, West Indies

Facsimile:  
1-758-452-6700

5.03. The World Bank’s Address referred to in Section 7.01 of the Standard Conditions is:

International Development Association  
1818 H Street, N.W.  
Washington, D.C. 20433  
United States of America

Telex:  
248423 (MCI) or 64145 (MCI)  
Facsimile:  
1-202-477-6391
AGREED at District of Columbia, United States of America, as of the day and year first above written.

SAINT LUCIA

By: [Signature]

Authorized Representative

Name: H.E. Anton Edmunds

Title: Ambassador of St. Lucia

INTERNATIONAL DEVELOPMENT ASSOCIATION

acting as administrator of the Saint Lucia Disaster Vulnerability Reduction Project-EDF Trust Fund

By: [Signature]

Authorized Representative

Name: Tahseen Sayed

Title: Country Director, Caribbean Country Management Unit, Latin America and the Caribbean Region
SCHEDULE 1

Project Description

The objective of the Project is to reduce vulnerability to natural hazards and climate change impacts in the Recipient’s territory.

The Project consists of the following parts:

Part A: Risk Reduction and Adaptation Measures

1. Carrying out of selected structural and non-structural flood and landslide risk reduction interventions and climate adaptation measures to improve the Recipient’s resilience against current and future climate shocks, including reconstruction of selected critical public infrastructure that was damaged from an event of Emergency, which consists of, inter alia: (a) reinforcement of flood control infrastructure; (b) climate resilience rehabilitation and retrofitting of selected damaged road sections, including drainage improvement, slope stabilization and selected road bridges; (c) retrofitting and climate resilient rehabilitation of selected priority emergency shelters; (d) climate resilient rehabilitation of selected deteriorating water supply infrastructure; (e) retrofitting and rehabilitation of selected schools and health centers; and (f) relevant national plans, policies and strategies, such as an integrated watershed management plan, and climate change public awareness and education strategy, all through the provision of works, technical advisory services, operating costs and acquisition of goods.

2. Carrying out of studies, including: (a) development of operational and maintenance plans (including a bridge maintenance plan); (b) risk assessment to support engineering design options, and final detailed design solutions; and (c) integrated hazard and climate analyses to inform Project designs, all through the provision of technical advisory services and acquisition of goods.

3. Carrying out of selected transport infrastructure investments and related studies, including: (a) the reconstruction of (i) Piaye Bridge, and (ii) Venus – Anse-La-Raye Road; and (b) technical assessments and studies, and supervision of the proposed works.
Part B: Technical Assistance for Improved Assessment and Application of Disaster and Climate Risk Information in Decision Making

Building of institutional capacity for open systems or platforms for creating, sharing, analyzing and using disaster risk and climate change data, and information for improved decision making and engineering for risk reduction and climate change adaptation, including: (a) creation of a high resolution digital topographical and bathymetric model for the Recipient; (b) sea level rise modeling and coastal flood and erosion risk mapping; (c) design and deployment of meteorological, hydrological, and sea level rise monitoring networks; (d) deployment of an environmental health surveillance system; and (e) strengthening of regional capacity to promote safe and uniform building standards and harmonize geospatial data standards in the Eastern Caribbean sub-region, all through the provision of technical advisory services, operating costs, training and acquisition of goods.

Part C: Climate Adaptation Financing Facility

Establishment of a pilot financing mechanism to promote increased climate resilience under a climate adaptation financing facility (Climate Adaptation Financing Facility or CAFF), including the provision of retail concessional loans (Sub-loans) through the SLDB to eligible households and private firms or businesses (Eligible Beneficiaries), to finance climate adaptation investments to build resilience of assets and livelihoods, intended to reduce risks associated with catastrophic hydro-meteorological shocks (Climate Adaptation Subprojects).

Part D: Contingent Emergency Response

Carrying out of Emergency Recovery and Reconstruction Subprojects under an agreed action plan of activities (Agreed Action Plan of Activities) designed as a mechanism to implement the Recipient’s response to an Emergency.

Part E: Project Management and Implementation Support

Strengthening of the institutional capacity for Project management and implementation, including: (a) staffing the DEDTCA and Project Coordination Unit (PCU); (b) building the technical capacity of DEDTCA, PCU and the DSD; (c) training of DEDTCA, PCU and DSD staff, and strengthening the respective capacity for management, supervision, monitoring and evaluation of specific Project activities; (d) carrying out technical and Project audits; and (e) carrying out EDF Trust Fund donor visibility activities, all through the provision of technical advisory services, training, operating costs and acquisition of goods.
SCHEDULE 2

Project Execution

Section I. Institutional and Other Arrangements

A. Institutional Arrangements

1. Project Coordination Committee

(a) The Recipient shall ensure that the Project Coordination Committee is maintained at all times during the implementation of the Project, with a composition, mandate, and in form and substance satisfactory to the Association.

(b) Without limitation to sub-paragraph (a) immediately above, the Recipient shall ensure that the Project Coordination Committee will be responsible for providing policy guidance to ensure prompt and efficient implementation of the Project, including, inter alia, reviewing progress made towards achieving the Project’s objective.

2. Ministry of Economic Development, Housing, Urban Renewal, Transport and Civil Aviation (MoED); DEDTCA

The Recipient shall: (a) maintain, at all times during the implementation of the Project, DEDTCA within the MoED, with functions, staffing and resources satisfactory to the Association; and (b) through DEDTCA, will be responsible for monitoring and evaluation of activities of the Project, in accordance with the provisions of this Agreement and the Project Operations Manual.

3. Project Coordination Unit

(a) The Recipient shall maintain, at all times during the implementation of the Project, the PCU within the MoED, with functions, staffing and resources satisfactory to the Association.

(b) Without limitation to the provisions of Section I.A.2 of this Schedule, the PCU shall be responsible for day-to-day administration of overall planning, coordination, technical and fiduciary aspects, environmental and social safeguards compliance, and reporting and communication of the activities under the Project, all in accordance with the provisions of this Agreement and the Project Operations Manual.
4. **DSD; MoE IGRSD**

Without limitation to the provisions of Section I.A.2 and I.A.3 of this Schedule, and for the purpose of ensuring the prompt and efficient implementation of the Project, the Recipient, through DEDTCA and the PCU, shall carry out the Project in close coordination with DSD. To this end, DSD, as the focal point for the Recipient’s climate change issues, shall be responsible for reporting and communicating all activities under the said parts of the Project and financed through the Original Financing, the SCF-PPCR Loan, the SCF-PPCR Grant and this Grant, respectively, in accordance with the Project Operations Manual.

5. **Donor Visibility and Visit**

(a) The Recipient shall take or cause to be taken all such measures as the World Bank shall reasonably request, on the basis of the visibility note made available by the World Bank to the Recipient, to identify publicly the EDF Trust Fund donor’s support for the Project.

(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 EDF Trust Fund donor to visit any part of the Recipient’s territory for purposes related to the Project.

B. **Project Operations Manual**

1. The Recipient shall, carry out the Project, in accordance with the provisions of the Project Operations Manual containing detailed arrangements and procedures for the Project: (a) institutional coordination and day-to-day execution of the Project; (b) Project budgeting, disbursement and financial management; (c) procurement; (d) environmental and social safeguard guidelines; (e) monitoring, evaluation, reporting and communication; and (f) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the Project.

2. The Recipient shall not amend, abrogate, waive or fail to enforce any provision of the Project Operations Manual without the prior written agreement of the Association: provided, however, that in case of any conflict between the arrangements and procedures set out in the Project Operations Manual and the provisions of this Agreement, the provisions of this Agreement shall prevail.
C. Anti-Corruption

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

D. Environmental and Social Safeguards

1. The Recipient shall ensure that the Project is carried out in accordance with the Environmental Management Framework ("EMF"), the Environmental Assessment ("EA"), and the Resettlement Policy Framework ("RPF"), respectively, including the guidelines, rules and procedures defined in said EMF, EA and RPF. To this end, the Recipient shall, specifically take the following actions in a manner acceptable to the Association:

   (a) if an environmental management plan or similar safeguard instrument would be required on the basis of the EMF: (i) such environmental management plan or similar safeguard instrument shall be prepared in accordance with the requirements of the EMF, disclosed locally and furnished to the Association for approval; and (ii) if applicable, the pertinent Project activities shall be carried out in accordance with such environmental management plan or similar safeguard instrument as approved by the Association; and

   (b) if a resettlement action plan would be required on the basis of the Resettlement Policy Framework: (i) said resettlement action plan shall be prepared in accordance with the requirements of the Resettlement Policy Framework, disclosed locally and furnished to the Association for approval; and (ii) no works in respect of such Project activities shall commence until: (A) all measures required to be taken under said resettlement action plan have been taken in accordance with the terms of said plan and in a manner acceptable to the Association; and (B) the Recipient has furnished to the Association a report in form and substance satisfactory to the Association, on the status of compliance with the requirements of said resettlement action plan.

2. The Recipient shall ensure that all measures required for carrying out the Environmental Assessment, any environmental management plan or similar safeguard instrument, and any resettlement action plan are taken in a timely manner.

3. The Recipient shall include in the Project Reports referred to in Section II.A of this Schedule, adequate information on the implementation of the EMF, the EA, the RPF, any environmental management plan or similar safeguard instrument, and any resettlement action plan, giving details of:
(a) measures taken in furtherance of the EMF, the EA, the RPF, any environmental management plan or similar safeguard instrument, and any resettlement action plan;

(b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of the EMF, the EA, the RPF, any environmental management plan or similar safeguard instrument, and any resettlement action plan; and

(c) remedial measures taken or required to be taken to address such conditions and to ensure the continued efficient and effective implementation of the EMF, the EA, the RPF, any environmental management plan or similar safeguard instrument, and any resettlement action plan.

4. Specific Environmental Covenant for the Project

The Recipient shall ensure that the terms of reference for any consultancy in respect of any activity under the Project shall be satisfactory to the Association following its review thereof and, to that end, such terms of reference shall duly incorporate the requirements of the Association’s Safeguard Policies then in force, as applied to the advice conveyed through such technical assistance.

Section II. Project Monitoring, Reporting and Evaluation

A. Documents; Records

In addition and without limitation to the obligations set forth in Section 2.05 of the Standard Conditions, the Recipient shall ensure that:

(a) all records evidencing expenditures under the Project are retained for seven years and six months after the Closing Date, such records to include: (i) this Agreement, all addenda thereof, and any amendments thereto; (ii) the Recipient’s financial and narrative progress reports submitted to the World Bank; (iii) the Recipient’s financial information related to the Grant, including audit reports, invoices and payroll records; (iv) the Recipient’s implementation documentation (including sub-agreements, procurement files, contracts, purchase orders); and (v) the corresponding supporting evidence referred to in Section 3.04 of the Standard Conditions; and

(b) the representatives of the World Bank are: (i) able to examine all records referred to above in paragraph (a); (ii) provided all such information concerning such records as they may from time to time reasonably request; and (iii) able to disclose such records and information to the Donor(s).
B. Project Reports; Completion Report

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 acceptable to the World Bank. Each Project Report shall cover the period of six (6) calendar months, and shall be furnished to the World Bank not later than forty-five (45) calendar days after the end of the period covered by such report.

2. The Recipient shall: (a) on or about the date thirty (30) months after the Effective Date of this Agreement, submit to the Association a mid-term report, in such detail as the Association shall reasonably request, documenting progress achieved in the carrying out of the Project during the period preceding the date of the mid-term report, taking into account the monitoring and evaluation activities performed pursuant to Section II.A.1 of this Schedule, setting out the measures recommended to ensure the efficient carrying out of the Project and the achievement of the objective thereof during the period following such date; and (b) review with the Association the mid-term report, on or about the date one month after its submission to the Association, and thereafter take all measures required to ensure the efficient implementation of the Project and the achievement of its objective, based on the conclusions and recommendations of the mid-term report and the Association’s views on the matter.

3. 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.

C. 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 not later than forty-five (45) days after the end of each calendar quarter, covering the quarter, 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 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.  International 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 International Competitive Bidding.

2.  Other Methods of Procurement of Goods, Works and Non-consulting Services. The following methods, other than International Competitive Bidding, may be used for procurement of goods, works and non-consulting services for those contracts specified in the Procurement Plan: (a) Limited International Bidding; (b) National Competitive Bidding; (c) Shopping; (d) procurement under Framework Agreements in accordance with procedures which have been found acceptable to the World Bank; (e) Direct Contracting; (f) Force Account; (g) Well-established Private Sector Procurement Methods or Commercial Practices which have been found acceptable to the World Bank; (h) Procurement under Public Private Partnership Arrangements in accordance with procedures which have been found acceptable to the World Bank; and (i) 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 firms; (f) Well-established Private Sector Procurement Methods or Commercial Practices which have been found acceptable to the World Bank; (g) Selection of Consultants under Indefinite Delivery Contract or Price Agreement; (h) Selection of Individual Consultants; and (i) Single-Source Procedures for the Selection of Individual Consultants.

D. **Bidding Documents**

Each invitation to bid and request for proposals shall require the bidder or consultant to provide the Recipient with digital copies of its bid or proposal (as the case may be).

E. **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.

F. **Document Retention**

Notwithstanding the provisions of paragraphs 2(j) and 5 of Appendix 1 to the Procurement Guidelines, and paragraphs 2(k) and 5 of Appendix 1 to the Consultant Guidelines, the Recipient: (i) shall retain all documentation with respect to each contract as described in said paragraphs for at least seven years and six months after the Closing Date set forth in Section IV.B.2 of this Schedule; (ii) shall furnish such documentation to the World Bank at any time upon request; and (iii) hereby authorizes the World Bank to disclose such documentation to the Donor(s).

G. **Right to use Project outputs**

To the extent the Recipient has the intellectual property rights to Project outputs and subject to any third party proprietary or confidential obligation it may have, the Recipient shall grant the Donor the right to use such outputs for purposes
limited to the development, implementation and monitoring of EU programs, including distribution to the public, translation, storage and archive.

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 EUR)</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, Operating Costs and Training under Part A.3, and (excluding goods) under Part E of the Project</td>
<td>4,940,000</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>4,634,190</td>
<td></td>
</tr>
</tbody>
</table>

For the purpose of the table set forth immediately above:

(a) the term “Operating Costs” means the incremental expenses incurred on account of Project management, including office equipment and supplies, vehicle operation and maintenance, communication and insurance costs, office administration costs, utilities, travel and *per diem*, excluding the salaries of the Recipient’s civil service; and
(b) the term "Training" means the cost associated with the training and workshops approved by the Association, for reasonable expenditures (other than expenditures for consultants' services), including: (i) travel, room, board and per diem expenditures incurred by trainers and trainees in connection with their training; (ii) course fees; (iii) training facility rentals; and (iv) training material preparation, acquisition, reproduction and distribution expenses.

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section no withdrawal shall be made:

   (a) for payments made prior to the date of this Agreement, except that withdrawals up to an aggregate amount not to exceed EUR 926,000 may be made for payments made prior to this date but on or after the date falling twelve months prior to the date of this Agreement, for Eligible Expenditures under the Project; and

   (b) for payments made to finance any Project activity that the Bank has financed or agreed to finance under the Financing Agreement, the Original Financing Agreement, the Original SCF-PPCR Grant Agreement, or the Original SCF-PPCR Loan Agreement.

2. The Closing Date referred to in Section 3.06 (c) of the Standard Conditions is December 31, 2019.
APPENDIX

Section I. Definitions

1. "Agreed Action Plan of Activities" means the plan of activities referred to in Section I.D.1 of Schedule 2 to the Original Financing Agreement.


3. "Association’s Safeguard Policies" means the Association’s operational policies and procedures set forth in the Bank’s Operational manual under OP/BPs 4.01, 4.04, 4.09, 4.10, 4.11, 4.12, 4.36, 4.37, 7.50 and 7.60 as said manual is published under www.WorldBank.org/opmanual.

4. "CAFF Manual" means the Recipient’s manual referred to in Section I.C of Schedule 2 to the Original Financing Agreement.

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

6. "Climate Adaptation Financing Facility" or "CAFF" means a revolving facility managed and operated by the Project Implementing Entity to provide financing out of the proceeds of the SCF-PPCR Loan to the Eligible Beneficiaries for financing Climate Adaptation Subprojects.

7. "Climate Adaptation Subproject" means any climate adaptation investment referred to in Part C of the Project.


9. "Department of Economic Development, Transport and Civil Aviation" or "DEDTCA" means the Recipient’s Department of Economic Development, Transport and Civil Aviation within MoED, or any successor thereto.

10. "Displaced Person" means a person who, on account of the execution of the Project, has experienced or would experience direct economic and social impacts caused by: (i) the involuntary taking of land, resulting in: (A) relocation or loss of shelter; (B) loss of assets or access to assets; or (C) loss of income sources or means of livelihood, whether or not such person must move to another location; or (ii) the involuntary restriction to access to legally designated parks and protected areas,
resulting in adverse impacts on the livelihood of such person, and “Displaced Persons” means, collectively, the plural thereof.

11. “DSD” means the Recipient’s Department of Sustainable Development and Environment Division, within MoEIGRSD, or any successor thereto.

12. “Eligible Beneficiary” means an approved private sector business or firm, which is registered pursuant to the laws of the Recipient, or an individual living within the territory of the Recipient, that is approved by the Project Implementing Entity on the basis of the eligibility criteria set forth in the CAFF Manual, to participate through the CAFF as a recipient of a Sub-loan for the purpose of carrying out a Climate Adaptation Subproject.

13. “Emergency” means: (a) for the purpose of Parts A and B of the Project, the natural disaster that occurred within the Recipient’s territory on December 24 and 25, 2013, for which the Recipient issued an activation of the National Emergency Management Plan on December 26, 2013; and (b) for the purpose of Part D of the Project, the occurrence of a natural disaster or an event of emergency within the Recipient’s territory for which the Recipient has issued a Natural Disaster Declaration or activation of the National Emergency Management Plan.

14. “Emergency Recovery and Reconstruction Subproject” means an investment activity under Part D of the Project, consisting of a combination of works, goods or technical advisory services, aimed at responding to damage caused by an Emergency and meeting the criteria set forth Section I.D.3 through 5 of Schedule 2 to the Original Financing Agreement.

15. “Environmental Assessment” or “EA” means the Recipient’s report for the Project dated December 2013 (disclosed in-country on January 14, 2014, and through the Association’s external website on January 14, 2014), and updated on March 17, 2016 (disclosed in-country on March 17, 2016, and through the Association’s external website on March 22, 2016), describing the set of avoidance, mitigation, enhancement, monitoring, and institutional measures to be taken under any Project activity for rehabilitation or construction to avoid, mitigate, offset, or reduce adverse environmental and social impacts to acceptable levels, or to enhance positive impacts.

16. “Environmental Management Framework” or “EMF” means the Recipient’s framework, acceptable to the Association, dated December 2013 (disclosed in-country on January 14, 2014, and through the Association’s external website on January 14, 2014), and updated on March 17, 2016 (disclosed in-country on March 17, 2016, and through the Association’s external website on March 22, 2016), setting forth the modalities for environmental screening and procedures/actions for the preparation and implementation of environmental assessments and management
plans under the Project, and such term includes all schedules and annexes to the Environmental Management Framework.

17. “Financing” means the credit referred to in the preamble of this Agreement.

18. “Financing Agreement” means the grant agreement referred to in the preamble to this Agreement, as such grant agreement may be amended from time to time. “Financing Agreement” includes all appendices, schedules and agreements supplemental to the Financing Agreement.


22. “Natural Disaster Declaration” means the declaration of an Emergency by the Recipient pursuant to the Disaster Management Act (Act No. 30 of 2006).

23. “Original Financing” means the credit extended to the Recipient pursuant to the Original Financing Agreement.

24. “Original Financing Agreement” means the financing agreement for the Original Project between the Recipient and the Association, dated July 16, 2014 (Credit No. 5493-LC), as amended.

25. “Original Project” means the Project described in: (a) Schedule 1 to the Original Financing Agreement; (b) Schedule 1 to the Original SCF-PPR Grant Agreement; and (c) Schedule 1 to the Original SCF-PPCR Loan Agreement, as amended.

26. “Original SCF-PPCR Grant Agreement” means the grant agreement for the Original Project between the Recipient and the Association, dated July 16, 2014 (SCF-PPCR Grant No. TF017143), as amended.

27. “Original SCF-PPCR Loan Agreement” means the loan agreement for the Original Project between the Recipient and the Association, dated July 16, 2014 (SCF-PPCR Loan No. TF017101), as amended.

28. “PPCR Grant” means the grant referred to in paragraph A of the preamble to the Original Financing Agreement.

“Procurement Plan” means the Recipient’s procurement plan for the Project, which comprise the procurement plan dated September 3, 2016 (covering procurement financed by the Original Financing Agreement, the Original SCF-PPCR Loan Agreement, and the Original SCF-PPCR Grant Agreement), and the procurement plan dated October 7, 2016 (covering procurement under this Grant Agreement and the Financing Agreement), 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.

“Project Agreement” means the agreement between the Association and the Project Implementing Entity dated July 16, 2014, as amended, for the purposes of implementing Part C of the Project.

“Project Coordination Committee” means the committee referred to in Section I.A.1 of Schedule 2 to this Agreement.

“Project Coordination Unit” or “PCU” means a coordination unit within the MoED, and referred to in Section I.A.3 of Schedule 2 to this Agreement, or any successor thereto.

“Project Implementing Entity” means Saint Lucia Development Bank.

“Project Operations Manual” means the Recipient’s operations manual for the Project, dated April 13, 2016, and referred to in Section I.B.1 of Schedule 2 to this Agreement.

“Resettlement Policy Framework” or “RPF” means the Recipient’s framework, acceptable to the Association, dated December 2013 (disclosed in-country on January 14, 2014, and through the Association’s external website on March 3, 2014), and updated on March 14, 2016 (disclosed both in-country and through the Association’s external website on March 16, 2016), setting forth the modalities for resettlement and compensation of Displaced Persons, including guidelines for the preparation of the resettlement plans, all under the Project, as the same may be amended from time to time with the agreement of the Association.

“Saint Lucia Development Bank” or “SLDB” means the bank established and operating pursuant to Saint Lucia Development Bank Act (Law No. 12 of 2008), as amended, of the laws of the Recipient and includes any successors thereto.
38. "SCF-PPCR Loan" means the loan referred to in paragraph (B) of the preamble to
the Original Financing Agreement.

39. "Standard Conditions" means the Standard Conditions for Grants Made by the
World Bank Out of Various Funds, dated February 15, 2012, with the
modifications set forth in Section II of the Appendix to this Agreement.

40. "Sub-loan" means any loan made out of the proceeds of the SCF-PPCR Loan to
an Eligible Beneficiary to carry out a Climate Adaptation Subproject.

41. "Subsidiary Agreement" means the agreement referred to in Section I.B.1 of
Schedule 2 to the Original SCF-PPCR Loan Agreement pursuant to which the
Recipient shall on-lend part of the proceeds of the SCF-PPCR Loan to the Project
Implementing Entity for the purpose of carrying out Part C of the Project.

Section II. Modifications to the Standard Conditions

The Standard Conditions are hereby modified as follows:

1. (a) Section 3.06. (Eligible Expenditures) is modified to read as follows:

   "The Recipient shall ensure that the proceeds of the Grant are used exclusively to
finance expenditures which, except as otherwise provided in the Grant Agreement, satisfy
the following requirements ("Eligible Expenditures"):

   (a) the payment is for the reasonable cost of goods, works or services
required for the Project, to be financed out of the proceeds of the Grant and procured, all
in accordance with the provisions of the Grant Agreement;

   (b) the payment is not prohibited by a decision of the United Nations
Security Council taken under Chapter VII of the Charter of the United Nations; and

   (c) the expenditures are incurred, and the payments are made: (i) during
the dates specified in the Grant Agreement for that purpose; and (ii) except as the World
Bank may otherwise agree, the expenditures are incurred prior to the Closing Date."