People’s Republic of China:
Urban-Scale Building Energy Efficiency and Renewable Energy Project
(GEF Grant Number TF014522-CN)
Amendment to Grant Agreement

Dear Mr. Chen:

I refer to the Global Environment Facility Grant Agreement between the People’s Republic of China (the “Recipient”) and the International Bank for Reconstruction and Development (the “World Bank”), acting as administrator of and Implementing Entity of the Global Environment Facility, dated July 4, 2013 (the “Grant Agreement”), as amended thereof, for the above-mentioned project (the “Project”).

I also refer to the letter dated December 20, 2017, from the Department of International Economic and Financial Cooperation, Ministry of Finance, requesting a restructuring of the Project, which requires certain amendments to the Grant Agreement. I am pleased to inform you that the World Bank concurs with the request and proposes to amend the Grant Agreement as follows:

1. Section I.A of Schedule 2 is deleted in its entirety and replaced by the following:

   “1. The Recipient shall be responsible for the management, implementation, and monitoring and evaluation of its Respective Part of the Project through the Ministry of Housing and Urban-Rural Development. To this end, the Recipient shall maintain, through the Ministry of Housing and Urban-Rural Development, throughout Project implementation, the following entities with functions, staffing, and resources satisfactory to the World Bank:
(a) the National Advisory Committee, which shall be responsible for the provision of policy guidance to Parts 1 and 2 of the Project; and

(b) the Project Management Office, which shall be responsible for the overall coordination of Parts 1 and 2 of the Project and implementation of the Recipient’s Respective Part of the Project.

2. (a) To assist the Recipient with the day-to-day implementation of its Respective Part of Project (including financial management, accounting, and disbursement), the Recipient, through the Ministry of Housing and Urban-Rural Development, shall enter into an agreement (“Implementation Agreement”) with the Center of Science and Technology for Construction (“CSTC”), under terms and conditions acceptable to the World Bank.

(b) The Recipient, through the Ministry of Housing and Urban-Rural Development, shall exercise its rights under the Implementation Agreement in such a manner as to protect the interests of the Recipient and the World Bank, and to accomplish the purposes of the Grant, and except as the World Bank shall otherwise agree, not assign, amend, abrogate or waive the Implementation Agreement or any provision thereof.

(c) In the case of any inconsistency between the provisions of the Implementation Agreement and the provisions of this Agreement, the provisions of this Agreement shall prevail.

2. Section II.B of Schedule 2 is deleted in its entirety and replaced by the following:

“1. The Recipient shall, through the Ministry of Housing and Urban-Rural Development, and shall cause CSTC to, 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, through the Ministry of Housing and Urban-Rural Development, and shall cause CSTC to:

(a) ensure that its Respective Part of the Project is carried out in accordance with its Financial Management Manual; and

(b) except as the World Bank shall otherwise agree in writing, not assign, amend, abrogate, or waive, or permit to be assigned, amended, abrogated, or waived, the aforementioned, or any provision thereof.
3. In the event of a conflict between the provisions of the Recipient’s Financial Management Manual and those of this Agreement, the latter shall govern.

4. The Recipient shall, through the Ministry of Housing and Urban-Rural Development, and shall cause CSTC to, ensure that interim unaudited financial reports for its Respective Part of the Project are prepared and furnished to the World Bank not later than sixty (60) days after the end of each calendar semester, covering the semester, in form and substance satisfactory to the World Bank.

5. The Recipient shall, through the Ministry of Housing and Urban-Rural Development, and shall cause CSTC to, have its Financial Statements for its Respective Part of 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 (1) fiscal year of the Recipient. The audited Financial Statements for each such period shall be furnished to the World Bank, through the Ministry of Housing and Urban-Rural Development, not later than six (6) months after the end of such period.

3. New paragraphs 27 and 28 are inserted in the Appendix with the following definition of “CSTC” and “Implementation Agreement”, respectively:

“27. “CSTC” means the Center of Science and Technology for Construction, established on April 1994, and operating pursuant to certificate No. 121000004007101678, which shall be responsible for assisting the Ministry of Housing and Rural-Urban Development with the day-to-day implementation of its Respective Part of the Project, or any successor thereto.

28. “Implementation Agreement” means the agreement to be entered into between the Recipient, through the Ministry of Housing and Rural-Urban Development, and the CSTC pursuant to Section I.A.2 of Schedule 2 to this Agreement, as the same may be amended from time to time with the prior written concurrence of the World Bank, and such term includes all schedules supplemental to said agreement.”

Except as specifically amended by this amendment letter, all other provisions of the Grant Agreement shall remain in full force and effect.
Please confirm your agreement to the foregoing on behalf of the Recipient by signing and
dating the form of confirmation set forth below, and returning one fully countersigned original of
this amendment letter to us and retaining one original for your records. This amendment letter shall
become effective as of the date of the Bank’s receipt of a duly countersigned original of this letter
by the authorized representative of the Recipient.

Sincerely,

Harold L. Bedoya
Acting Country Director, China

CONFIRMED:
PEOPLE’S REPUBLIC OF CHINA

By: 
Authorized Representative

Name: _______________________

Title: _______________________ 

Date: ______________________