Global Environment Facility
Trust Fund Grant Agreement

(Anatolia Watershed Rehabilitation Project)

between

REPUBLIC OF TURKEY

and

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

Dated October 4, 2004
GLOBAL ENVIRONMENT FACILITY TRUST FUND
GRANT AGREEMENT

AGREEMENT, dated October 4, 2004, between the REPUBLIC OF TURKEY (the Recipient) and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (the Bank) acting as an implementing agency of the Global Environment Facility (GEF) in respect of grant funds provided to the GEF Trust Fund by certain members of the Bank as participants of the GEF.

WHEREAS (A) the Bank, pursuant to Resolution No. 91-5 of March 14, 1991 of the Executive Directors of the Bank, established the GEF to assist in the protection of the global environment and promote thereby environmentally sound and sustainable economic development;

(B) following the restructuring of the GEF, such arrangements continued in place on the basis set forth in Resolution No. 94-2 of May 24, 1994, of the Executive Directors of the Bank which, inter alia, established the GEF Trust Fund and appointed the Bank as trustee of the GEF Trust Fund (Resolution No. 94-2);

(C) the Recipient, having satisfied itself as to the feasibility and priority of the project described in Schedule 2 to this Agreement (the Project), has requested assistance from the resources of the GEF Trust Fund for funding the Project, and said request having been approved in accordance with the provisions of the Instrument for the Establishment of the Restructured Global Environment Facility approved under Resolution 94-2;

(D) by an agreement of even date herewith (the Loan Agreement), the Bank, acting in its own capacity, has agreed to make a loan to the Recipient in an amount equal to twenty million dollars ($20,000,000) (the Loan) to assist in financing the Project on terms and conditions set forth or referred to in the Loan Agreement;

NOW THEREFORE, the parties hereto hereby agree as follows:

...
ARTICLE I

General Conditions; Definitions

Section 1.01. (a) The following provisions of the “General Conditions Applicable to Loan and Guarantee Agreements for Single Currency Loans” of the Bank, dated May 30, 1995 (as amended through October 6, 1999), with the modifications set forth in paragraph (b) of this Section (the General Conditions) constitute an integral part of this Agreement:

(i) Article I;

(ii) Sections 2.01 (1), (2), (3), (4), (5), (6), (7), (8), (9), (10), (14), (17), (18), and (21), and Sections 2.02 and 2.03;

(iii) Section 3.01;

(iv) Section 4.01 and Section 4.06;

(v) Article V;

(vi) Sections 6.01, 6.02 (a), (c), (d), (e), (f), (i), (k), (l), (m), (n), (o), and (p), 6.03, 6.04 and 6.06;

(vii) Section 8.01 (b);

(viii) Sections 9.01 (a) and (c), 9.04, 9.05, 9.06, 9.07, 9.08 and 9.09;

(ix) Sections 10.01, 10.03 and 10.04;

(x) Article XI; and

(xi) Sections 12.01 (c), 12.03 and 12.04.

(b) The General Conditions shall be modified as follows:

(i) the term “Bank”, wherever used in the General Conditions, other than in Sections 2.01 (6), and 6.02 (f) thereof and the last use of such term in Section 5.01 thereof, means the Bank acting as an implementing agency of the GEF, except that in Section 6.02, the term “Bank” shall also include the Bank acting in its own capacity;

(ii) the term “Borrower”, wherever used in the General Conditions, means the Recipient;
(iii) the term “Loan Agreement”, wherever used in the General Conditions, means this Agreement;

(iv) the term “Loan” and “loan”, wherever used in the General Conditions, means the GEF Trust Fund Grant;

(v) the term “Loan Account”, wherever used in the General Conditions, means the GEF Trust Fund Grant Account, an account opened by the Bank on its books in the name of the Recipient to which the amount of the GEF Trust Fund Grant is credited; and

(vi) a new paragraph (q) is added to Section 6.02 of the General Conditions, as follows: “an extraordinary situation shall have arisen in which any further disbursement under the GEF Trust Fund Grant would exceed the resources available for disbursement from the GEF.”

Section 1.02. Wherever used in this Agreement, unless the context otherwise requires, the several terms defined in the General Conditions and in the Preamble to this Agreement and in the Loan Agreement have the respective meanings therein set forth, and the following additional terms have the following meanings:

(a) “GEF Financial Monitoring Report” means each report prepared in accordance with Section 4.02 of this Agreement; and

(b) “GEF Special Account” means the account referred to in Section 2.02 (b) to this Agreement.

ARTICLE II

The GEF Trust Fund Grant

Section 2.01. The Bank agrees to make available to the Recipient, on the terms and conditions set forth or referred to in this Agreement, the GEF Trust Fund Grant in an amount equal to seven million dollars ($7,000,000).

Section 2.02. (a) The amount of the GEF Trust Fund Grant may be withdrawn from the GEF Trust Fund Grant Account in accordance with the provisions of Schedule 1 to this Agreement for expenditures made (or, if the Bank shall so agree, to be made) in respect of the reasonable cost of goods, works, and operating costs required for carrying out of Parts A.4, C, D and E of the Project, and to be financed out of the proceeds of the GEF Trust Fund Grant.
(b) The Recipient may, for the purposes of the Project, open and maintain in
dollars a special deposit account in its Central Bank on terms and conditions satisfactory
to the Bank. Deposits into, and payments out of, the GEF Special Account shall be made
in accordance with the provisions of Schedule 3 to this Agreement.

Section 2.03. The Closing Date shall be June 30, 2012 or such later date as the
Bank shall establish. The Bank shall promptly notify the Recipient of such later date.

ARTICLE III

Execution of the Project

Section 3.01. (a) The Recipient declares its commitment to the objectives of the
Project as set forth in Schedule 2 to this Agreement and, to this end, shall carry out Parts
A.4, C, D and E of the Project through the MEF and the MARA with due diligence and
efficiency and in conformity with appropriate administrative, agricultural, engineering,
financial and technical practices and with due regard to social, ecological and
environmental factors, and shall provide, promptly as needed, the funds, facilities,
services and other resources required for the Project.

(b) Without limitation upon the provisions of paragraph (a) of this Section
and except as the Recipient and the Bank shall otherwise agree, the Recipient shall carry
out Parts A.4, C, D and E of the Project in accordance with the Implementation Program
set forth in Schedule 5 to the Loan Agreement.

Section 3.02. Except as the Bank shall otherwise agree, procurement of the
goods, works and consultants’ services required for the Project and to be financed out of
the proceeds of the GEF Trust Fund Grant shall be governed by the provisions of
Schedule 4 to the Loan Agreement.

Section 3.03. For the purposes of Section 9.08 of the General Conditions and
without limitation thereto, the Recipient shall:

(a) prepare, on the basis of guidelines acceptable to the Bank, and furnish to
the Bank not later than six months after the Closing Date or such later date as may be
agreed for this purpose between the Recipient and the Bank, a plan for the future
operation of the Project; and

(b) afford the Bank a reasonable opportunity to exchange views with the
Recipient on said plan.

ARTICLE IV

Financial Conditions
Section 4.01. (a) The Recipient, through the MEF, shall maintain a financial management system, including records and accounts, and prepare financial statements in a format acceptable to the Bank, adequate to reflect the operations, resources and expenditures in respect of the Project.

(b) The Recipient, through the MEF, shall:

(i) have the records, accounts and financial statements referred to in paragraph (a) of this Section, and the records and accounts for the GEF Special Account for each Fiscal Year audited, in accordance with auditing standards acceptable to the Bank, consistently applied, by independent auditors acceptable to the Bank;

(ii) furnish to the Bank as soon as available, but in any case not later than six months after the end of each such year: (A) certified copies of the financial statements referred to in paragraph (a) of this Section for such year as so audited; and (B) an opinion on such statements, records and accounts and the report of such audit by said auditors, of such scope and in such detail as the Bank shall have reasonably requested; and

(iii) furnish to the Bank such other information concerning such records and accounts and the audit thereof as the Bank shall from time to time reasonably request.

(c) For all expenditures with respect to which withdrawals from the GEF Trust Fund Grant Account were made on the basis of statements of expenditure, the Recipient, through the MEF, shall:

(i) maintain or cause to be maintained, in accordance with paragraph (a) of this Section, records and separate accounts reflecting such expenditures;

(ii) retain, until at least one year after the Bank has received the audit report for the Fiscal Year in which the last withdrawal from the GEF Trust Fund Grant Account was made, all records (contracts, orders, invoices, bills, receipts and other documents) evidencing such expenditures;

(iii) enable the Bank’s representatives to examine such records; and

(iv) ensure that such records and accounts are included in the annual audit referred to in paragraph (b) of this Section and that the report of such audit contains a separate opinion by said auditors.
as to whether the statements of expenditure submitted during such Fiscal Year, together with the procedures and internal controls involved in their preparation, can be relied upon to support the related withdrawals.

Section 4.02. Without limitation upon the Recipient’s progress reporting obligations specified in paragraph 9 of Schedule 5 to the Loan Agreement, the Recipient, through the MEF, shall prepare and furnish to the Bank a GEF Financial Monitoring Report in a form and substance satisfactory to the Bank, which:

(a) (i) sets forth sources and uses of funds for the Project, both cumulatively and for the period covered by said report, and showing separately funds provided under the GEF Trust Fund Grant; and explains variances between actual and planned uses of such funds;

(ii) describes physical progress in Project implementation, both cumulatively and for the period covered by said report, and explains variances between the actual and planned Project implementation; and

(iii) sets forth the status of procurement under the Project, as at the end of the period covered by said report.

(b) The first GEF Financial Monitoring Report shall be furnished to the Bank not later than forty-five (45) days after the end of the first calendar quarter after the Effective Date, and shall cover the period from the incurrence of the first expenditure under the Project through the end of such first calendar quarter; thereafter, each GEF Financial Monitoring Report shall be furnished to the Bank not later than forty-five (45) days after each subsequent calendar quarter, and shall cover such calendar quarter.

ARTICLE V

Remedies of the Bank

Section 5.01. Pursuant to Section 6.02 (p) of the General Conditions, the following additional events are specified:

(a) The Project Implementation Plan shall have been amended, suspended, abrogated or waived without the Bank’s prior approval.

(b) The Recipient shall have failed to perform any of its obligations under the Loan Agreement.
Subject to subparagraph (ii) of this paragraph, the right of the Recipient to withdraw the proceeds of the Loan made to the Recipient for the financing of the Project shall have been suspended, cancelled or terminated in whole or in part, pursuant to the terms of the Loan Agreement.

Subparagraph (i) of this paragraph shall not apply if the Recipient establishes to the satisfaction of the Bank that: (A) such suspension, cancellation or termination is not caused by the failure of the Recipient to perform any of its obligations under such agreement; and (B) adequate funds for the Project are available to the Recipient from other sources on terms and conditions consistent with the obligations of the Recipient under this Agreement.

ARTICLE VI

Effective Date; Termination

Section 6.01. The following event is specified as an additional condition to the effectiveness of the Grant Agreement within the meaning of Section 12.01 (c) of the General Conditions, namely that, the Loan Agreement has been executed and delivered and all conditions precedent to its effectiveness or to the right of the Recipient to make withdrawals thereunder, except only the effectiveness of this GEF Trust Fund Grant Agreement, have been fulfilled.

Section 6.02. The date of ninety (90) days from the date of this Agreement is hereby specified for the purposes of Section 12.04 of the General Conditions.

Section 6.03. This Agreement shall continue in effect until the GEF Trust Fund Grant has been fully disbursed and the parties to this Agreement have fulfilled their obligations hereunder.
ARTICLE VII

Representative of the Recipient; Addresses

Section 7.01. The Undersecretary of Treasury of the Recipient is designated as representative of the Recipient for the purposes of Section 11.03 of the General Conditions.

Section 7.02. The following addresses are specified for the purposes of Section 11.01 of the General Conditions:

For the Recipient:

Basbakanlik
Hazine Mustesarligi
Inonu Bulvari
Emek-Ankara
Republic of Turkey

Cable address: Telex: Facsimile:
HAZINE 44232 HZM-TR or (312) 212-8550
Hazine, Ankara 44404 HZM-TR

For the Bank:

International Bank for Reconstruction and Development
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Cable address: Telex: Facsimile
INTBAFRAD 248423 (MCI) or (202) 477-6391
Washington, D.C. 64145 (MCI)
IN WITNESS WHEREOF, the parties hereto, acting through their duly authorized representatives, have caused this Agreement to be signed in their respective names in the District of Columbia, United States of America, as of the day and year first above written.

REPUBLIC OF TURKEY

By /s/ Ibrahim Canakci
    Authorized Representative

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
as an implementing agency of the
Global Environment Facility

By /s/ Andrew N. Vorkink
    Director
    Turkey Country Unit
    Europe and Central Asia
### SCHEDULE 1

**Withdrawal of the Proceeds of the GEF Trust Fund Grant**

**Part A: General**

1. The table below sets forth the Categories of items to be financed out of the proceeds of the GEF Trust Fund Grant, the allocation of the amounts of the GEF Trust Fund Grant to each Category and the percentage of expenditures for items so to be financed in each Category:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the GEF Trust Fund Grant Allocated (Expressed in Dollars)</th>
<th>% of Expenditures to be Financed</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Works</td>
<td>3,400,000</td>
<td>70%</td>
</tr>
<tr>
<td>(2) Goods</td>
<td>1,300,000</td>
<td>100% of foreign expenditures, 100% of local expenditures (ex-factory cost) and 85% of local expenditures for other items procured locally</td>
</tr>
<tr>
<td>(3) Consultants’ services</td>
<td>800,000</td>
<td>78%</td>
</tr>
<tr>
<td>(4) Training</td>
<td>400,000</td>
<td>100%</td>
</tr>
<tr>
<td>(5) Incremental Operating Costs</td>
<td>600,000</td>
<td>50%</td>
</tr>
<tr>
<td>(6) Unallocated</td>
<td>500,000</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>7,000,000</td>
<td></td>
</tr>
</tbody>
</table>
2. For the purposes of this Schedule:

   (a) the term “foreign expenditures” means expenditures in the currency of any country other than that of the Recipient for goods or services supplied from the territory of any country other than that of the Recipient;

   (b) the term “local expenditures” means expenditures in the currency of the Recipient or for goods or services supplied from the territory of the Recipient;

   (c) the term “training” means: (i) the fees of consultants, including educational or other institutions and organizations, that provide training services; and (ii) the cost of study tours (including local tours for farmers), cost of workshops, and related travel expenditures, and boarding, lodging and per diem allowances provided to civil servants of the Recipient; and

   (d) the term “incremental operating costs” means reasonable and necessary incremental expenses incurred by the Recipient on account of Project implementation, management and monitoring, including the cost of transport and travel, fuel and repairs made on account of maintenance and operation of vehicles, attendance of seminars, conferences and meetings, communication, office operating and maintenance costs, including maintenance of office equipment, systems and facilities, rent and utilities.

3. Notwithstanding the provisions of paragraph 1 above, no withdrawals shall be made in respect of payments made for expenditures prior to the date of this Agreement.

4. The Bank may require withdrawals from the GEF Trust Fund Grant Account to be made on the basis of statements of expenditure for expenditures for: (i) works, under contracts costing less than $3,000,000 equivalent each but excluding those referred to in paragraph 2 (a) (ii) and 2 (b) (v) of Part D of Section I of Schedule 4 to this Agreement; (ii) goods, under contracts costing less than $300,000 equivalent each, but excluding those referred to in paragraph 2 (a) (ii) and 2 (b) (i), (ii), and (iii) of Part D of Section I of Schedule 4 to this Agreement; (iii) services of consulting firms under contracts costing less than $100,000 equivalent each; (iv) services of individual consultants under contracts costing less than $50,000 equivalent each; (v) training; and (vi) incremental operating costs, all under such terms and conditions as the Bank shall specify by notice to the Recipient.

5. If the Bank shall have determined at any time that any payment made from the GEF Trust Fund Grant Account was used for any expenditure not consistent with the provisions of this Agreement, the Recipient shall, promptly upon notice from the Bank, refund to the Bank for deposit into the GEF Trust Fund Grant Account, an amount equal to the amount so used or the portion thereof as specified by the Bank.
SCHEDULE 2

Description of the Project

The objective of the Project is to support sustainable natural resource management practices in about twenty-eight (28) micro-catchments in the Project Area and thereby raise incomes of communities affected by resource degradation.

The Project consists of the following parts, subject to such modifications thereof as the Recipient and the Bank may agree upon from time to time to achieve such objectives:

Part A: Rehabilitation of Degraded Natural Resources

1. Rehabilitation of forest land including soil conservation through afforestation, rehabilitation of degraded forests, gallery plantations and participatory afforestation.

2. Rehabilitation of rangeland including promotion of technical packages and land management practices to improve the vegetative cover of range lands.

3. Rehabilitation of agricultural land including fallow reduction through the introduction of legumes, improved use of marginal land and river bank protection.

4. Promotion of environmentally friendly agricultural practices in the Project Area of the Black Sea region, including manure management, nutrient management, organic farming and integrated pest management to reduce discharge of agricultural pollutants in the lower parts of watersheds, and monitoring of water and soil quality.

Part B: Income Generation Activities

Carrying out of a program to provide the communities in the Project Area with the incentives to undertake rehabilitation and conservation efforts and to raise the income of village household, including: (a) small scale irrigation, farm ponds, small dams, and small scale fisheries development; (b) agricultural production on terraces; (c) forestry based income diversification; and (d) farm enterprise diversification, bee keeping, green house development, livestock improvement, and introduction of improved technologies and cropping practices.

Part C: Strengthening Policy and Regulatory Capacity

1. Provision of support to the application of the EU Nitrates Directive through the monitoring of nitrate levels in the Project Area of the Black Sea region.
2. Development and promotion of a legal framework consistent with the EU Nitrates Directive for good agricultural practices based on on-farm trials, demonstrations and training.

3. Provision of technical assistance to strengthen the institutional capacity for the production and marketing of organically produced farm products.

Part D: Awareness Raising, Capacity Building and Replication Strategy

Provision of technical assistance, training and equipment to: (a) develop and disseminate a public information campaign to raise awareness among beneficiaries and other stakeholders on the Project’s objectives, approach and terms of participation; (b) increase the capacity of implementing agencies at all levels to promote environmentally friendly agriculture practices and raise public awareness on methods to reduce nutrient discharge from agriculture; and (c) develop a strategy for future replication of similar activities in Turkey and other Black Sea riparian countries.

Part E: Project Management and Support Services

1. Provision of technical assistance, training, office equipment and incremental operating costs to support Project management and coordination at the central and provincial levels, including the upgrading and expansion of the monitoring and evaluation system to allow for adequate monitoring of the impact of the Project.

2. Provision of technical assistance and study tours to farmers and technical staff involved in the Project implementation, and carrying out of applied research in support of environmentally friendly practices.

* * *

The Project is expected to be completed by December 31, 2011.
SCHEDULE 3

GEF Special Account

1. For the purposes of this Schedule:

(a) the term “eligible Categories” means Categories (1), (2), (3), (4) and (5) set forth in the table in paragraph 1 of Schedule 1 to this Agreement;

(b) the term “eligible expenditures” means expenditures in respect of the reasonable cost of goods, works and services required for the Project and to be financed out of the proceeds of the GEF Trust Fund Grant allocated from time to time to the eligible Categories in accordance with the provisions of Schedule 1 to this Agreement; and

(c) the term “Authorized Allocation” means an amount equivalent to $700,000 to be withdrawn from the GEF Trust Fund Grant Account and deposited into the GEF Special Account pursuant to paragraph 3 (a) of this Schedule, provided, however, that unless the Bank shall otherwise agree, the Authorized Allocation shall be limited to an amount equivalent to $350,000 until the aggregate amount of withdrawals from the GEF Trust Fund Grant Account plus the total amount of all outstanding special commitments entered into by the Bank pursuant to Section 5.02 of the General Conditions shall be equal to or exceed the equivalent of $1,200,000.

2. Payments out of the GEF Special Account shall be made exclusively for eligible expenditures in accordance with the provisions of this Schedule.

3. After the Bank has received evidence satisfactory to it that the GEF Special Account has been duly opened, withdrawals of the Authorized Allocation and subsequent withdrawals to replenish the GEF Special Account shall be made as follows:

(a) For withdrawals of the Authorized Allocation, the Recipient shall furnish to the Bank a request or requests for deposit into the GEF Special Account of an amount or amounts which do not exceed the aggregate amount of the Authorized Allocation. On the basis of such request or requests, the Bank shall, on behalf of the Recipient, withdraw from the GEF Trust Fund Grant Account and deposit into the GEF Special Account such amount or amounts as the Recipient shall have requested.

(b) (i) For replenishment of the GEF Special Account, the Recipient shall furnish to the Bank requests for deposits into the GEF Special Account at such intervals as the Bank shall specify.

(ii) Prior to or at the time of each such request, the Recipient shall furnish to the Bank the documents and other evidence required pursuant to paragraph 4 of this Schedule for the payment or
payments in respect of which replenishment is requested. On the basis of each such request, the Bank shall, on behalf of the Recipient, withdraw from the GEF Trust Fund Grant Account and deposit into the GEF Special Account such amount as the Recipient shall have requested and as shall have been shown, by said documents and other evidence, to have been paid out of the GEF Special Account for eligible expenditures. All such deposits shall be withdrawn by the Bank from the GEF Trust Fund Grant Account under the respective eligible Categories, and in the respective equivalent amounts, as shall have been justified by said documents and other evidence.

4. For each payment made by the Recipient out of the GEF Special Account, the Recipient shall, at such time as the Bank shall reasonably request, furnish to the Bank such documents and other evidence showing that such payment was made exclusively for eligible expenditures.

5. Notwithstanding the provisions of paragraph 3 of this Schedule, the Bank shall not be required to make further deposits into the GEF Special Account:

(a) if, at any time, the Bank shall have determined that all further withdrawals should be made by the Recipient directly from the GEF Trust Fund Grant Account in accordance with the provisions of Article V of the General Conditions and paragraph (a) of Section 2.02 of this Agreement;

(b) if the Recipient shall have failed to furnish to the Bank, within the period of time specified in Section 4.01 (b) (ii) of this Agreement, any of the audit reports required to be furnished to the Bank pursuant to said Section in respect of the audit of the records and accounts for the GEF Special Account;

(c) if, at any time, the Bank shall have notified the Recipient of its intention to suspend in whole or in part the right of the Recipient to make withdrawals from the GEF Trust Fund Grant Account pursuant to the provisions of Section 6.02 of the General Conditions; or

(d) once the total unwithdrawn amount of the GEF Trust Fund Grant allocated to the eligible Categories of the Project, minus the total amount of all outstanding special commitments entered into by the Bank pursuant to Section 5.02 of the General Conditions with respect to the Project, shall equal the equivalent of twice the amount of the Authorized Allocation.

Thereafter, withdrawal from the GEF Trust Fund Grant Account of the remaining unwithdrawn amount of the GEF Trust Fund Grant allocated to the eligible Categories shall follow such procedures as the Bank shall specify by notice to the Recipient. Such further withdrawals shall be made only after and to the extent that the Bank shall have
been satisfied that all such amounts remaining on deposit in the GEF Special Account as of the date of such notice will be utilized in making payments for eligible expenditures.

6.  (a) If the Bank shall have determined at any time that any payment out of the GEF Special Account: (i) was made for an expenditure or in an amount not eligible pursuant to paragraph 2 of this Schedule; or (ii) was not justified by the evidence furnished to the Bank, the Recipient shall, promptly upon notice from the Bank: (A) provide such additional evidence as the Bank may request; or (B) deposit into the GEF Special Account (or, if the Bank shall so request, refund to the Bank) an amount equal to the amount of such payment or the portion thereof not so eligible or justified. Unless the Bank shall otherwise agree, no further deposit by the Bank into the GEF Special Account shall be made until the Recipient has provided such evidence or made such deposit or refund, as the case may be.

(b) If the Bank shall have determined at any time that any amount outstanding in the GEF Special Account will not be required to cover further payments for eligible expenditures, the Recipient shall, promptly upon notice from the Bank, refund to the Bank such outstanding amount.

(c) The Recipient may, upon notice to the Bank, refund to the Bank all or any portion of the funds on deposit in the GEF Special Account.

(d) Refunds to the Bank made pursuant to paragraphs 6 (a), (b) and (c) of this Schedule shall be credited to the GEF Trust Fund Grant Account for subsequent withdrawal or for cancellation in accordance with the relevant provisions of this Agreement, including the General Conditions.