The World Bank

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT INTERNATIONAL DEVELOPMENT ASSOCIATION

1818 H Street N.W. Washington, D.C. 20433

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CONFORMED COPY

November 8, 2010

Mr. Andrey Subbotin
Director
All-Russia Research Institute for Nature
Conservation "VNII Prirody"
Usadba Znamenskoe-Sadki
Moscow 117628
Russian Federation

Re: Russian Federation: Grant for the Support to the Global Tiger Summit
Hosted by the Russian Federation
GEF MSP Grant No. TF098198

Dear Mr. Soubbotin:

In response to the request for financial assistance made by the Ministry of Natural Resources and Environment of the Russian Federation on behalf of the All-Russia Research Institute for Nature Conservation "VNII Prirody" ("Recipient"), I am pleased to inform you that the International Bank for Reconstruction and Development ("World Bank"), acting as Implementing Agency of the Global Environment Facility (GEF), proposes to extend to the Recipient, for the benefit of the Russian Federation ("Member Country"), a grant in an amount not to exceed three hundred seventy thousand United States Dollars (U.S.\$370,000) ("Grant") on the terms and conditions set forth or referred to in this letter agreement ("Agreement"), which includes the attached Annex, to assist in the financing of the project described in the Annex ("Project"). This Grant is funded out of the GEF for which the World Bank receives periodic contributions. In accordance with Section 3.02 of the Standard Conditions (as defined in the Annex to this Agreement), the Recipient may withdraw the Grant proceeds subject to the availability of such funds.

The Recipient represents, by confirming its agreement below, that it is authorized to enter into this Agreement and to carry out the Project in accordance with the terms and conditions set forth or referred to in this Agreement.

Please confirm the Recipient's agreement to the foregoing by having an authorized official of the Recipient sign and date the enclosed copy of this Agreement, and returning it to the World Bank. Upon receipt by the World Bank of this countersigned copy, this Agreement shall become effective as of the date of the countersignature; provided, however, that the offer of this Agreement shall be deemed withdrawn if the World Bank has not received the countersigned copy of this Agreement within fourteen (14) days after the date of signature of this Agreement by the World Bank, unless the World Bank shall have established a later date for such purpose.

Very truly yours,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

Acting as Implementing Agency of the Global Environment Facility

By /s/Pedro Alba Country Director and Resident Representative in Russia Europe and Central Asia Region

AGREED:

ALL-RUSSIA RESEARCH INSTITUTE FOR NATURE CONSERVATION "VNII PRIRODY"

By: /s/ Andrey Subbotin Authorized Representative

Title: Director

Date: November 10, 2010

Enclosures:

- (1) Standard Conditions for Grants Made by the World Bank Out of Various Funds, dated July 31, 2010
- (2) Disbursement Letter dated November 8, 2010, together with World Bank Disbursement Guidelines for Projects, dated May 1, 2006

Article I

Standard Conditions; Definitions

- 1.01. *Standard Conditions*. The Standard Conditions for Grants Made by the World Bank Out of Various Funds dated July 31, 2010 ("Standard Conditions") constitute an integral part of this Agreement.
- 1.02. *Definitions*. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the Standard Conditions or in this Agreement.

Article II Project Execution

2.01. *Project Objectives and Description*. The objective of the Project is to provide critical inputs in preparation and holding the Global Tiger Summit ("Summit") hosted by the Russian Federation to bring together Heads of Governments of the Tiger Range Countries in order to endorse and launch the Global Tiger Recovery Program. The Global Tiger Recovery Program would strengthen conservation of the critically endangered wild tiger populations and habitats aiming to arrest and reverse the current progressing decline in this species and the losses in the related habitats of the high global biodiversity value.

The Project would include the following activities: (i) sponsoring delegates from Tiger Range Countries to attend the Summit; (ii) production of a high-quality illustrated publication on tiger conservation issues to be distributed at the Summit; (iii) production of documentary on tiger conservation to be aired on the Russian TV; (iv) support to finalization of the National Tiger Action Plan 2010-2020; (v) National Tiger Strategy and Action Plan promotion in press; and (vi) Project management including GEF Grant audit.

- 2.02. **Project Execution Generally.** The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall carry out the Project in accordance with: (a) the provisions of Article II of the Standard Conditions; (b) the "Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants", dated October 15, 2006 ("Anti-Corruption Guidelines"), with the modifications set forth in the Appendix to this Agreement; and (c) this Article II.
- 2.03. *Institutional and Other Arrangements*. Overall coordination for the Project activities will be led by the Ministry of Natural Resources and Environment of the Russian Federation.
- 2.04. *GEF Visibility*. The Recipient shall take or cause to be taken all such measures as the World Bank may reasonably request to identify publicly the GEF's support for the Project.

- 2.05. *Completion Report.* 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.
- 2.06. *Financial Management*. (a) The Recipient shall ensure that a financial management system is maintained in accordance with the provisions of Section 2.07 of the Standard Conditions.
- (b) The Recipient shall ensure that interim unaudited financial reports for the Project are prepared and furnished to the World Bank not later than one month after the end of each calendar quarter, covering the quarter, in form and substance satisfactory to the World Bank.
- (c) 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. Such audit of the Financial Statements shall cover the entire period during which withdrawals from the Grant Account were made. The audited Financial Statements for such period shall be furnished to the World Bank not later than six months after the end of such period.
- 2.07. *Procurement*. All Project activities will be financed from the Operating Costs Category in accordance with the budget approved by the World Bank.

Article III Withdrawal of Grant Proceeds

3.01. *Eligible Expenditures*. 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 100% of Eligible Expenditures consisting of Operating Costs.

For the purpose of this paragraph, the term "Operating Costs" means expenditures incurred by the Recipient on the account of Project implementation, management and monitoring, including office and office equipment, office supplies and utilities, communication costs, international and local airfare and accommodation of sponsored delegates, publication and any other miscellaneous costs directly associated with the Project implementation acceptable to the Bank, but excluding salaries of officials of the civil services of the Recipient's country.

- 3.02. *Withdrawal Conditions*. Notwithstanding the provisions of Section 3.01 of this Agreement, no withdrawal shall be made for payments made prior to the date of countersignature of this Agreement by the Recipient, except that withdrawals up to an aggregate amount not to exceed \$74,000 equivalent may be made for payments made prior to this date but on or after August 1, 2010 for Eligible Expenditures.
- 3.03. *Withdrawal Period.* The Closing Date referred to in Section 3.06 (c) of the Standard Conditions is March 31, 2011.

Article IV

Recipient's Representative; Addresses

- 4.01. *Recipient's Representative*. The Recipient's Representative referred to in Section 7.02 of the Standard Conditions is the Director of All-Russia Research Institute for Nature Conservation.
- 4.02. *Recipient's Address*. The Recipient's Address referred to in Section 7.01 of the Standard Conditions is:

All-Russia Research Institute for Nature Conservation "VNII Prirody" Usadba Znamenskoe-Sadki Moscow 117628 Russian Federation

Facsimile: 7-495-423-2322

4.03. *World Bank's Address*. The World Bank's Address referred to in Section 7.01 of the Standard Conditions is:

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

 Cable:
 Telex:
 Facsimile:

 INTBAFRAD
 248423 (MCI) or
 1-202-477-6391

Washington, D.C. 64145 (MCI)

APPENDIX Modifications to the Anti-Corruption Guidelines

The modifications to the Anti-Corruption Guidelines are as follows:

- 1. Section 5 is re-numbered as Section 5(a) and a new Section 5(b) is added to read as follows:
 - "...(b) These Guidelines also provide for the sanctions and related actions to be imposed by the Bank on Borrowers (other than the Member Country) and all other individuals or entities who are recipients of Loan proceeds, in the event that the Borrower or the individual or entity has been debarred by another financier as a result of a determination by such financier that the Borrower or the individual or entity has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of a financing made by such financier."
- 1. Section 11(a) is modified to read as follows:
 - "... (a) sanction in accordance with prevailing Bank's sanctions policies and procedures (fn13) a Borrower (other than a Member Country) (fn 14) or an individual or entity, including (but not limited to) declaring such Borrower, individual or entity ineligible publicly, either indefinitely or for a stated period of time: (i) to be awarded a Bankfinanced contract; (ii) to benefit from a Bank-financed contract, financially or otherwise, for example as a sub-contractor; and (iii) to otherwise participate in the preparation or implementation of the project or any other project financed, in whole or in part, by the Bank, if at any time the Bank determines (fn 15) that such Borrower, individual or entity has engaged in corrupt, fraudulent, collusive, coercive or obstructive practices in connection with the use of loan proceeds, or if another financier with which the Bank has entered into an agreement for the mutual enforcement of debarment decisions has declared such person or entity ineligible to receive proceeds of financings made by such financier or otherwise to participate in the preparation or implementation of any project financed in whole or in part by such financier as a result of a determination by such financier that the Borrower or the individual or entity has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of a financing made by such financier."

Footnotes:

- "13. An individual or entity may be declared ineligible to be awarded a Bank financed contract upon completion of sanctions proceedings pursuant to the Bank's sanctions policies and procedures, or under the procedures of temporary suspension or early temporary suspension in connection with an ongoing sanctions proceeding, or following a sanction by another financier with whom the Bank has entered into a cross debarment agreement, as a result of a determination by such financier that the firm or individual has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of a financing made by such financier."
- "14. Member Country includes officials and employees of the national government or of any of its political or administrative subdivisions, and government owned enterprises and agencies that are

not eligible to bid under paragraph 1.8(b) of the Procurement Guidelines or participate under paragraph 1.11(c) of the Consultant Guidelines."

"15. The Bank has established a Sanctions Board, and related procedures, for the purpose of making such determinations. The procedures of the Sanctions Board sets forth the full set of sanctions available to the Bank. In addition, the Bank has adopted an internal protocol outlining the process to be followed in implementing debarments by other financiers, and explaining how cross-debarments will be posted on the Bank's website and otherwise be made known to staff and other stakeholders."