

**OFFICIAL
DOCUMENTS**

GRANT NUMBER TF018741

Global Environment Facility
Grant Agreement

(Forestry Development Project)

between

REPUBLIC OF BELARUS

and

**INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT**

acting as an Implementing Agency of the Global Environment Facility

Dated *April 2*, 2015

GRANT NUMBER TF018741

**GLOBAL ENVIRONMENT FACILITY
GRANT AGREEMENT**

AGREEMENT dated *April 2*, 2015, entered into between the REPUBLIC OF BELARUS (“Recipient”); and the INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (“World Bank”), acting as an implementing agency of the Global Environment Facility (“GEF”).

WHEREAS by an agreement of even date herewith between the Recipient and the World Bank) (Loan Agreement), the World Bank has agreed to make a loan to the Recipient in the amount of forty million seven hundred fourteen thousand Dollars (\$ 40,714,000) (Loan) to assist in financing part of the Project described in Schedule 1 to this Agreement (Project).

The Recipient and the World Bank hereby agree as follows:

**Article I
Standard Conditions; Definitions**

- 1.01. The Standard Conditions for Grants Made by the World Bank Out of Various Funds, dated February 15, 2012 (“Standard Conditions”), 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 objectives of the project described in Schedule 1 to this Agreement (“Project”). To this end, the Recipient, through the Ministry of Forestry (MoF), shall ensure that the Project is carried out by Bellesexport, 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 equal to two million seven hundred thirty nine thousand seven hundred twenty six United States Dollars (\$ 2,739,726) ("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. The Recipient's Representative for purposes of taking any action required or permitted to be taken pursuant to this Section is the Recipient's Minister of Forestry.
- 3.03. The Grant is funded out of the abovementioned trust fund for which the World Bank receives periodic contributions from the donors 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 donors under the abovementioned trust fund (GEF), and the Recipient's right to withdraw the Grant proceeds is subject to the availability of such funds.

**Article IV
Additional Remedies**

- 4.01. The Additional Event of Suspension referred to in Section 4.02 (k) of the Standard Conditions consists of the following, namely, that the World Bank has determined after the Effective Date referred to in Section 5.03 of this Agreement, that prior to such date but after the date of this Agreement, an event has occurred which would have entitled the World Bank to suspend the Recipient's right to make withdrawals from the Grant Account if this Agreement had been effective on the date such event occurred.

**Article V
Effectiveness; Termination**

- 5.01. This Agreement shall not become effective until evidence satisfactory to the World Bank has been furnished to the World Bank that the conditions specified below have been satisfied:
- (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) The Loan Agreement has been executed and delivered and all conditions precedent to its effectiveness (other than the effectiveness of this Agreement) have been fulfilled.
- 5.02. As part of the evidence to be furnished pursuant to Section 5.01 of this Agreement, there shall be furnished to the World Bank an opinion or opinions satisfactory to the World Bank of counsel acceptable to the World Bank showing the following matter, namely, that this Agreement has been duly authorized or ratified by the Recipient, and executed and delivered on its behalf and is legally binding upon it in accordance with its terms;
- 5.03. 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 Sections 5.01 and 5.02 (“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.
- 5.04. 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 (the Effectiveness Deadline), 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 VI
Recipient’s Representative; Addresses

- 6.01. Except as provided in Section 3.02 of this Agreement, the Recipient’s Representative referred to in Section 7.02 of the Standard Conditions is the Recipient’s Deputy Prime Minister.
- 6.02. The Recipient’s Address referred to in Section 7.01 of the Standard Conditions is:

Council of Ministers of the Republic of Belarus
House of Government
Minsk, 220010
Sovetskaya Str. 11
Republic of Belarus

Facsimile:

375 17 2226665

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

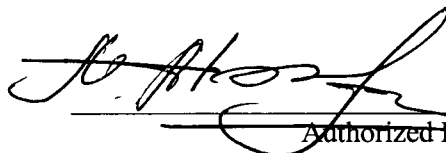
International Bank for Reconstruction and Development
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Cable:	Telex:	Facsimile:
INTBAFRAD Washington, D.C.	248423 (MCI) or 64145 (MCI)	1-202-477-6391

AGREED at Minsk, Republic of Belarus, as of the day and year first above written.

REPUBLIC OF BELARUS

By

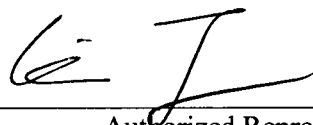


Authorized Representative

Name: Michael Ameljanovich
Title: Minister of Forestry of
the Republic of Belarus

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

By



Authorized Representative

Name: Qimiao Fan
Title: Country Director
Ukraine, Belarus and Moldova

SCHEDULE 1

Project Description

The objectives of the Project are to enhance silvicultural management and reforestation and afforestation, increase the use of felling residues and improve the public good contribution from forests in the Recipient's targeted forest areas.

The Project consists of the following parts:

Part 1: Improvement of Silviculture and the Sustainability of Forest Management

Improving silviculture and forest management effectiveness through, *inter alia*:

1. the increased intensity of silviculture activities by thinning of young and middle-aged stands through the provision of necessary equipment (including harvesters and forwarders);
2. the development of the use of woody biomass from logging residues to enhance the forest management productivity through the provision of necessary equipment (including heavy duty chipper machines); and
3. the improvement of forest nurseries for afforestation and reforestation through the modernization of selected forest nurseries through, *inter alia*: (i) the provision and installation of new seeding lines, greenhouses, cooling machinery and watering systems; and (ii) other forest nursery equipment.

Part 2: Improvement of Forest Fire Prevention, Monitoring, Detection and Suppression

Reducing the incidents of forest fire hazards through, *inter alia*:

1. the enhancement of the Recipient's capacity to respond to fire incidents through, *inter alia*: (i) the carrying out of public awareness activities; (ii) the development of a fire-fighting zone system; and (iii) the carrying out of an inventory of depleted peat lands;
2. (i) the strengthening of fire detection and monitoring measures through the provision of the necessary equipment; and (ii) the enhancement of communication mechanisms among State-owned Forestry Enterprises; and
3. the improvement of fire suppression efforts through the provision of: (i) modern fire-fighting vehicles; and (ii) other modern fire-fighting equipment.

Part 3: Capacity Building for Sustainable Forest Management

Strengthening the Recipient's capacity for sustainable forest management through, *inter alia*:

1. the facilitation of an enabling environment for sustainable forest management through, *inter alia*: (i) the review and update of the Recipient's forest policy and legal framework and forestry sector strategy; (ii) the development of the necessary methods and techniques to improve the biological and landscape diversity in forest management, including through the piloting of trial new silvicultural approaches; and (iii) the carrying out of Training activities to raise awareness of State-owned Forestry Enterprises on international best practices in the forestry sector;
2. the strengthening of the forest management information system and forest management planning capacity through, *inter alia*: (i) the provision of equipment; (ii) the development of a web-based interface for sharing information among relevant forest sector stakeholders; (iii) the development of a geo-information system-based map and database of potential forestry carbon (non Project) investments;
3. the use of advanced forest management technologies through the provision of Training;
4. (i) the design and implementation of a monitoring system of radiological conditions of forests in the Recipient's territory; and (ii) the strengthening of the existing system of protective measures of radiological monitoring activities; and
5. the provision of support for the implementation, monitoring and evaluation of the Project, including, *inter alia*: (i) the carrying out of the Project audits; and (ii) the implementation and supervision of the ESMP.

SCHEDULE 2

Project Execution

Section I. Institutional and Other Arrangements

A. Institutional Arrangements

1. The Recipient shall vest the overall responsibility for the implementation of the Project in MoF, and to this end, through Bellesexport, shall operate and maintain, throughout Project implementation, the Project Implementation Unit (PIU) with qualified staff in sufficient numbers, adequate funds, facilities, services and other resources for Project implementation, all acceptable to the World Bank.
2. The Recipient, through Bellesexport, shall: (a) carry out the Project in accordance with the requirements set forth in a manual acceptable to the World Bank (Project Operational Manual or POM); and (b) not assign, amend, abrogate, or waive the POM or any of its provisions, except with the prior written approval of the World Bank. In case of any conflict between the terms of the POM and those of this Agreement, the terms and conditions of this Agreement shall prevail.
3. The Recipient shall ensure, during the implementation of the Project, the coordination among its offices, units and subordinated agencies (including, State-owned Forestry Associations, State-owned Forest Enterprises, Bellesozahita and Belgosles) and any other relevant ministry (including the Ministry of Natural Resources and Environmental Protection) with technical, environmental and social safeguards, fiduciary and other Project related responsibilities for implementing the Project, all with powers, functions, capacity, staffing and resources acceptable to the World Bank to fulfill their respective responsibilities under the Project.

B. Anti-Corruption

The Recipient shall ensure that the Project is carried out in accordance with the provisions of the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006 and revised in January 2011 (“Anti-Corruption Guidelines”).

C. Safeguards

1. The Recipient, through Bellesexport, shall carry out the Project in accordance with the ESMP. Except as the Bank shall otherwise agree, the Recipient, through Bellesexport, shall not assign, amend, abrogate or waive the ESMP or any of its provisions.

2. The Recipient, through Bellesexport, shall ensure that no activities to be carried out under the Project involve Involuntary Resettlement.
3. The Recipient shall ensure, that the terms of reference for any consultancy in respect of any Project activity under the Project shall be satisfactory to the World Bank following its review thereof and, to that end, such terms of reference shall duly incorporate the requirements of the World Bank Safeguards Policies then in force, as applied to the advice conveyed through such technical assistance.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports and Mid-term Review; Completion Report

1. The Recipient, through Bellesexport, 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 agreed with the World Bank. Each Project Report shall cover the period of one calendar semester, and shall be furnished to the World Bank not later than one month after the end of the period covered by such report.
2. By February 15, 2017, or such other date as the World Bank shall agree upon, and without limitation to the provisions of Section 2.06 (a) and (b) of the Standard Conditions, the Recipient, through Bellesexport, shall: (a) carry out jointly with the World Bank, a mid-term review of the implementation of activities under the Project, which shall cover the progress achieved in the implementation of the Project; and (b) following such mid-term review, act promptly and diligently to take any corrective action as shall be agreed by the World Bank.
3. The Recipient, through Bellesexport, 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.

B. 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, through Bellesexport, shall ensure that interim unaudited financial reports for the Project are prepared and furnished to the World Bank not later than forty five (45) calendar days after the end of each calendar quarter, covering the quarter, in form and substance satisfactory to the World Bank.
3. The Recipient, through Bellesexport, shall have its Financial Statements audited in accordance with the provisions of Section 2.07 (b) of the Standard Conditions.

Each 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 no later than six months after the end of such period.

Section III. Procurement

A. General

1. **Procurement and Consultant Guidelines.** All goods, works and 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 "Guidelines: Procurement of Goods, Works and Non-consulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers" dated January 2011 (revised July 2014) ("Procurement Guidelines"), in the case of goods, works and non-consulting services, and Sections I and IV of the "Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers" dated January 2011 (revised July 2014) ("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) National Competitive

Bidding subject to the additional provisions set forth in Annex A to this Schedule; (b) Shopping; (c) Direct Contracting; and (d) Force Account.

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) Selection of Individual Consultants; and (g) Single-source procedures for the Selection of Individual Consultants.

D. Review by the World Bank of Procurement Decisions

1. 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.
2. The Recipient, through Bellesexport, shall no later than June 30 of every year during the implementation of the Project, beginning on June 30, 2016: (i) prepare and furnish to the World Bank a procurement progress report (Procurement Report), in form and substance acceptable to the World Bank, which shall include, *inter alia*: (A) a description of the issues which arose during the full procurement cycle under the Project during the twelve months preceding the date of presenting each Procurement Report, from design through planning, bidding, contract implementation and completion; (B) a list of proposed measures and actions to be taken to resolve the issues identified under (A) above; and (C) a proposed timeline for the implementation of the said measures and actions; and (ii) thereafter implement the proposed measures and actions under each Procurement Report in accordance with its terms and in a manner acceptable to 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 "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:

Category	Amount of the Grant Allocated (expressed in USD)	Percentage of Expenditures to be Financed (inclusive of Taxes)
Goods, non-consulting services, consultants’ services, Training and Operating Costs under Parts 1.3(ii), 2.1, 2.3 (ii) and 3 of the Project (including the Project audits)	2,739,726	100%
TOTAL AMOUNT	<u>2,739,726</u>	

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.
2. The Closing Date referred to in Section 3.06 (c) of the Standard Conditions is August 31, 2020.

**ANNEX A
to
SCHEDULE 2**

Additional Provisions Relating to Procurement of Goods, Works and Non-Consulting Services under Bank-Financed Contracts Subject to National Competitive Bidding

Without limitation upon the provisions of Section III of Schedule 2 to this Agreement or the Procurement Guidelines, the procurement procedure to be followed for National Competitive Bidding shall be the Open Tender procedure set forth in the Public Procurement Law of the Recipient (Law No. 419-3 on Public Procurement of Goods (Works, Services), dated 13 July 2012) (the “PPL”), and subject to the following provisions:

A. Eligibility

The eligibility of bidders shall be as defined under Section I of the Procurement Guidelines; accordingly, no bidder or potential bidder shall be declared ineligible for contracts financed by the World Bank for reasons other than those provided in Section I of the Procurement Guidelines.

Bidding shall not be restricted to domestic bidders. No restrictions in respect of eligibility to participate in bidding for contracts shall be placed on the basis of nationality of the bidder and/or the origin of goods other than those set forth in paragraph 1.10 of the Procurement Guidelines. No restriction of any kind shall be applied to foreign bidders who wish to submit a bid.

Bidding shall not be restricted to pre-registered or invited firms, and foreign bidders shall not be required to be registered with local authorities as a prerequisite for submitting bids.

B. Procedures

- (a) Invitations to bid shall be advertised in the Recipient’s Official Gazette or in at least one widely circulated national daily newspaper or in an electronic portal of free access allowing a minimum of thirty (30) calendar days for the preparation and submission of bids, from the date of publication of the invitation to bid or the date of availability of the bidding documents, whichever is later.
- (b) The sale and/or issuance of bidding documents shall not be restricted only to entities invited by the procuring entity.

- (c) Bids shall be submitted as paper documents and subsequent procurement process (bid opening, bid evaluation, the contract finalization) shall be conducted using conventional paper formats. Recipient/Belleseport shall be able to use an electronic system permitting bidders to submit bids by electronic means, provided the World Bank is satisfied with the adequacy of the system, including *inter alia*, that the system is secure, maintains the integrity, confidentiality, and authenticity of bids submitted, and uses an electronic signature system or equivalent to keep bidders bound to their bids.
- (d) Prequalification procedures acceptable to the World Bank shall be used for large, complex and/or specialized contracts.

C. Assessment of Bidders' Qualifications

In the procurement of goods, works and non-consulting services, where pre-qualification is not used, the qualifications of the bidder who is recommended for award of contract shall be assessed by post-qualification, applying minimum experience, technical and financial requirements which shall be explicitly stated in the bidding documents and which shall be determined by a 'pass/fail' method acceptable to the World Bank.

D. Participation by Government-owned Enterprises

Government-owned enterprises shall be eligible to participate in bidding only if they can establish that they are legally and financially autonomous, operate under commercial law and are not a dependent agency of the Government. Furthermore, they will be subject to the same bid and performance security requirements as other bidders.

E. Participation by Joint Ventures

Participation shall be allowed from joint ventures on the condition that such joint venture partners will be jointly and severally liable under the pertinent contract.

F. Bidding Documents

Procuring entities shall use the bidding documents acceptable to the World Bank, or World Bank's sample National Competitive Bidding documents for Europe and Central Asia Region for works, goods, and non-consulting services shall draft prequalification documents (where applicable), contracts and conditions of contract acceptable to the World Bank.

G. Bid Evaluation

- (a) Evaluation criteria, other than price, shall be quantified in monetary terms in a manner acceptable to the World Bank.

- (b) Evaluation of bids shall be made in strict adherence to the monetarily-quantifiable criteria declared in the bidding documents and a merit point system shall not be used.
- (c) An extension of bid validity, if justified by exceptional circumstances, may be requested in writing from all bidders before the bid validity expiration date and shall be allowed once only for the minimum period required to complete the evaluation or award a contract, but not more than thirty (30) calendar days from the date of the decision to extend the bid validity. No further extensions shall be requested without the prior approval of the World Bank.
- (d) Bids containing material deviations from the bidding document requirements shall be rejected. Non-material documentary deviations or quantifiable minor deviations may not be the reason for the rejection of bids.
- (e) Bids may not be rejected where they differ substantially from the estimated prices calculated by the procuring entity, except where the bid prices exceed the available budget.
- (f) Contracts shall be awarded to qualified bidders having submitted the lowest evaluated substantially responsive bid, and no negotiation as to the price or substance of the bid shall take place.
- (g) No domestic preference shall apply under National Competitive Bidding.
- (h) Bid evaluation shall be confidential and no information shall be disclosed until the notification of the award.

H. Price Adjustment

Civil works contracts of long duration (i.e. more than eighteen (18) months) shall contain an appropriate price adjustment clause acceptable to the World Bank.

I. Rejection of All Bids

All bids (or the sole bid if only one bid is received) shall not be rejected, the procurement process shall not be cancelled, and new bids shall not be solicited, without the World Bank's prior written concurrence.

J. Securities

Performance securities should not exceed ten percent (10%) of the contract price; No advance payments shall be made to the suppliers/contractors without a suitable advance

payment security. The wording of all such securities shall be included in the bidding documents and shall be acceptable to the World Bank. Bidders shall be given at least twenty-eight (28) calendar days from the receipt of notification of contract award to submit Performance securities, and Bid securities shall remain valid for such period.

K. Contract Modification and Termination

With respect to contracts subject to the World Bank's prior review, the Recipient/Belleseport shall obtain the World Bank's no objection before agreeing to: (a) a material extension of the stipulated time for performance of a contract; (b) any substantial modification of the scope of services or other significant changes to the terms and conditions of the contract; (c) any variation order or amendment which, singly or combined with all variation orders or amendments previously issued, increases the original contract amount by more than fifteen percent (15%); or (d) the proposed termination of the contract. A copy of all contract amendments shall be provided to the World Bank.

L. Fraud and Corruption

Each bidding document and contract financed out of the proceeds of the Grant shall include provisions stating the World Bank's policy to sanction firms or individuals, found to have engaged in fraud and corruption as defined in paragraph 1.16(a) of the Procurement Guidelines.

M. Audit Rights

In accordance with paragraph 1.16(e) of the Procurement Guidelines, each bidding document and contract financed out of the proceeds of the Grant shall provide that: (i) the bidders, suppliers, contractors and subcontractors shall permit the World Bank, at its request, to inspect their accounts and records relating to the bid submission and performance of the contract, and to have said accounts and records audited by auditors appointed by the World Bank; and (ii) the deliberate and material violation by the bidder, supplier, contractor or subcontractor of such provision may amount to an obstructive practice as defined in paragraph 1.16(a)(v) of the Procurement Guidelines

APPENDIX

Definitions

1. “Anti-Corruption Guidelines” means the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006 and revised in January 2011.
2. “Belgosles” means the Recipient’s Forest Management Republican Unitary (state-owned) Enterprise established pursuant to MoF Order No. 32, dated February 15, 2001.
3. “Bellesexport” means the Recipient’s Republican Unitary (state-owned) Enterprise established pursuant to MoF Order No. 71, dated July 19, 1995, or any successor thereto, acceptable to the Bank.
4. “Bellesozahita” means the Recipient’s institution responsible of forest protection and monitoring, established pursuant to MoF Order No. 105, dated May 5, 2000.
5. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
6. “Consultant Guidelines” means the “Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011 (revised July 2014).
7. “ESMP” means the Recipient’s environmental and social management plan (which includes an environmental impact assessment), publicly disclosed on December 8, 2014 in form and substance acceptable to the World Bank which contains, *inter alia*: (a) environmental and social mitigation measures anticipated for activities under the Project; and (b) the Recipient’s agencies responsible for monitoring of construction and operational impacts, as said plan may be amended from time to time with the prior written agreement of the World Bank.
8. “FSC” means Forest Stewardship Council.
9. “Involuntary Resettlement” means the impact of an involuntary taking of land under the Project, which taking causes affected persons to have their: (a) standard of living adversely affected; or (b) right, title or interest in any house, land (including premises, agricultural and grazing land) or any other fixed or movable asset acquired or possessed, temporarily or permanently; or (c) access to productive assets adversely affected, temporarily or permanently; or (d) business, occupation, work or place of residence or habitat adversely affected, temporarily or permanently”.

10. “Loan Agreement” means the agreement referred to in the whereas clause, as such agreement may be amended from time to time. “Loan Agreement” includes all appendices, schedules and agreements supplemental to the Loan Agreement.
11. “Ministry of Environment and Natural Resources” means the Recipient’s Ministry of Environment and Natural Resources, or any successor thereto.
12. “Ministry of Forestry” or “MoF” means the Recipient’s Ministry of Forestry, or any of successor thereto.
13. “Operating Costs” means expenditures incurred by the Recipient on account of Project implementation for travel; rent of premises and utilities; office supplies; communication costs; bank charges; operation, maintenance and insurance of vehicles (including fuel and insurance); maintenance of office equipment; printing, publications and advertisements (electronic and/or paper); translation; consumables; salaries of non-technical staff assigned to Bellesexport (excluding salaries of the Recipient’s civil servants and permanent employees); and other expenditures to be agreed upon between the Recipient and the World Bank, all based on the semi-annual budgets acceptable to the World Bank.
14. “PEFC” means Program for the Endorsement of Forest Certification.
15. “Procurement Guidelines” means the “Guidelines: Procurement of Goods, Works and Non-consulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011 (revised July 2014).
16. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated January 15, 2015 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.
17. “Project Implementing Unit” means the unit referred to in Section I.A.1 of Schedule 2 to this Agreement.
18. “Project Operational Manual” or “POM” means the manual for the Project, acceptable to the World Bank, to be prepared and adopted by the Recipient, describing and setting forth procedures *inter alia*, the activities and timetable of actions to be carried out under the Project, the respective roles and responsibilities of the agencies and any other relevant ministry involved in the implementation of the Project, the staff of the Project Implementing Unit, the fiduciary, technical and operational aspects and procedures for implementation of the Project, including the financial management procedures (budgeting, accounting and internal control, disbursement and flow of funds, financial reporting, annual reports, internal and external audit arrangements procedures and including the Project specific chart of accounts), procurement procedures, monitoring and evaluation arrangements, and

other fiduciary and administrative arrangements and necessary terms of reference, as the same may be amended from time to time with the prior written agreement of the World Bank.

19. “State-owned Forestry Association” means any of the Recipient’s state-owned forestry associations established within any of the Recipient’s six regions.
20. “State-owned Forestry Enterprise” means any of the Recipient’s state-owned enterprises under the administrative jurisdiction of the MoF, which have been certified to be in compliance with PEFC and/or FSC standards, and participating in the implementation of the Project.
21. “Training” means expenditures (other than those for consultants’ services) incurred by the Recipient in connection with the carrying out of seminars, workshops, including the reasonable travel costs (i.e. accommodation, transportation and *per-diem, inter alia*) of trainees and trainers (if applicable), training registration fees, catering, rental of training facilities and equipment, logistics and printing services, as well as training materials for the purposes of, and directly related to, the activities of the Project
22. “World Bank Safeguards Policies” means the World Bank’s operational policies and procedures set forth in the World 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.