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GEF GRANT NUMBER TF018605

***Global Environment Facility***  
**Grant Agreement**

**(The Pacific Islands Regional Oceanscape Program Project)**

**between**

**TUVALU**

**and**

**INTERNATIONAL BANK FOR RECONSTRUCTION  
AND DEVELOPMENT**

**acting as an Implementing Agency of the Global Environment Facility**

Dated *20<sup>th</sup> April*, 2015

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GLOBAL ENVIRONMENT FACILITY  
GRANT AGREEMENT

AGREEMENT dated 20<sup>th</sup> April, 2015, entered into between: TUVALU ("Recipient") and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT ("World Bank"), acting as an implementing agency of the Global Environment Facility ("GEF").

WHEREAS (A) The Recipient, Federated States of Micronesia, Republic of Marshall Islands, Solomon Islands and other FFA Member Countries have, pursuant to the FFA Treaty, undertaken to co-operate in the joint and efficient management of oceanic and coastal fisheries within the Western and Central Pacific Ocean; and

(B) In order to assist in the carrying out of activities aimed at strengthening the management of oceanic and coastal fisheries, and the critical habitats upon which they depend:

(1) the Recipient, having satisfied itself as to the feasibility and priority of the project described in Schedule 1 to the Financing Agreement ("Project"), has requested the International Development Association ("Association") to extend a grant and a credit in the amount of four million eight hundred thousand Special Drawing Rights (SDR 4,800,000) as provided in the Financing Agreement, to assist in financing the Project;

(2) Federated States of Micronesia, Marshall Islands and Solomon Islands have each requested the World Bank, acting as Implementing Agency of the GEF, and the Association to assist in the financing of activities related to the Project that are designed to further the objectives of this Project and the FFA Treaty; and

(3) the Pacific Islands Forum Fisheries Agency ("FFA") has requested the Association and the World Bank, as Implementing Agency of the GEF, to assist in the financing of activities related to the Project that are designed to further the objectives of this Project and the FFA Treaty.

WHEREAS the World Bank, acting as an Implementing Agency of the Global Environment Facility, has agreed, on the basis, *inter alia*, of the foregoing, to extend a grant to the Recipient as specified in Section 3.01 of this Agreement upon the terms and conditions set forth in this Agreement.

NOW THEREFORE, 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 or in the Financing 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 shall carry out the Project through its Department of Fisheries 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 nine hundred ten thousand United States Dollars (\$910,000) ("Grant") to assist in financing the Project.
- 3.02. The Recipient may withdraw the proceeds of the Grant in accordance with Section II 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 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, 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 Fisheries Management Act has been amended, suspended, abrogated, repealed or waived in a manner that is not compatible with international law, specifically the United Nations Convention on the Law of the Sea, or in a manner that would affect materially and adversely the ability of the Recipient to perform any of its obligations under this Agreement.

**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 following condition has been satisfied: the Financing Agreement has been executed and delivered and all conditions precedent to its effectiveness or to the right of the Recipient to make withdrawals under it (other than the effectiveness of this Agreement) have been fulfilled.
- 5.02. 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 5.01 ("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.
- 5.03. This Agreement and all obligations of the parties under it shall terminate if it has not entered into effect by the date ninety (90) 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 VI  
Recipient's Representative; Addresses**

- 6.01. The Recipient's Representative referred to in Section 7.02 of the Standard Conditions is its Minister responsible for finance.

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

Ministry of Finance and Economic Development  
Vaiaku  
Funafuti  
Tuvalu

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

International Bank for Reconstruction and Development/International Development Association  
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 Funafuti, Tuvalu, as of the day  
and year first above written.

TUVALU

By



Authorized Representative

Name: MARTIA TOAFA

Title: MINISTER FOR FINANCE  
& ECONOMIC DEVELOPMENT

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

By



Authorized Representative

Name: FRANZ R. DREES-GROSS

Title: COUNTRY DIRECTOR, EACNF

**SCHEDULE 1**

**Project Description**

The objective of the Project is to strengthen the shared management of selected Pacific Island oceanic and coastal fisheries, and the critical habitats upon which they depend.

The Project constitutes the first phase of the Program and consists of the parts described in Schedule 1 to the Financing Agreement, however the Grant will not finance Part 1(a) of the Project.

**SCHEDULE 2**

**Project Execution**

**Section I. Institutional and Other Arrangements**

**A. General**

Section I (Implementation Arrangements), Section II (Project Monitoring, Reporting and Evaluation) and Section III (Procurement) of Schedule 2 to the Financing Agreement are hereby incorporated by reference and shall apply, *mutatis mutandis*, to this Agreement, and the Recipient undertakes to comply with the provisions thereof to the same extent as if such provisions had been set out in full in this Agreement, provided that for the purposes of this Agreement: (1) the references to the "Financing" in said Sections shall be construed as references to the Grant provided for under this Agreement; (2) the references to the "Association" in said Sections shall be construed as references to the World Bank; (3) the reference to Section 4.08 of the General Conditions in Section II.A of Schedule 2 to the Financing Agreement shall be construed as reference to Section 2.06 of the Standard Conditions; and (4) the references to Section 4.09 and 4.09 (b) of the General Conditions in Section II.B of Schedule 2 to the Financing Agreement shall be construed as references to Section 2.07 and 2.07 (b) of the Standard Conditions.

**Section II. 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:

<b>Category</b>	<b>Amount of the Grant Allocated (expressed in USD)</b>	<b>Percentage of Expenditures to be Financed (inclusive of Taxes)</b>
(1) Goods, works, non-consulting services, consultants' services, Training and Operating Costs under the Project (except under Part 1(a) of the Project)	910,000	100%
<b>TOTAL AMOUNT</b>	<b>910,000</b>	

**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 September 30, 2020.

**APPENDIX**

**Definitions:**

1. "Financing Agreement" means the agreement to be signed between the Recipient and the International Development Association for purposes of financing the Project.