Global Environment Facility
Grant Agreement

(Additional Financing for the Forest Conservation and Sustainability in the Heart of
the Colombian Amazon Project)

between

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

and

PATRIMONIO NATURAL FONDO PARA LA BIODIVERSIDAD Y AREAS PROTEGIDAS –
PNF

Dated November 7, 2017
AGREEMENT dated November 7, 2012 entered into between:

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT ("World Bank"), acting as an implementing agency of the Global Environment Facility ("GEF"); and

PATRIMONIO NATURAL FONDO PARA LA BIODIVERSIDAD Y AREAS PROTEGIDAS – PNF ("Recipient" or "PNF").

WHEREAS (A) the Member Country has endorsed the PNF as a direct recipient of the Grant funds; and

WHEREAS (B) the Recipient is a legal entity with legal power to enter into this Agreement and to perform its obligations as set forth herein.

Now therefore, the Recipient and the World Bank hereby agree as follows:

Article I
Standard Conditions; Definitions


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 objective of the project described in Schedule 1 to this Agreement ("Project"). To this end, the Recipient shall:

(a) carry out Part 1 of the Project with the assistance of PNN, CDA, CORPOAMAZONIA and MADS;

(b) carry out Parts 2.A, 2.B, 2.C, and 2.D of the Project with the assistance of IDEAM, MADS, PNN, CDA and CORPOAMAZONIA;
(c) carry out Parts 3.A, 3.B and 3.C(iii) of the Project with the assistance of MADS, PNN, SINCHI, CDA and CORPOAMAZONIA;

(d) cause SINCHI to carry out Parts 2.E and 3.C(i) and (ii) of the Project with the assistance of MADS, IDEAM, CDA, CORPOAMAZONIA and PNN; and

(e) carry out Part 4 of the Project with the assistance of MADS, IDEAM, PNN, SINCHI, CDA and CORPOAMAZONIA;

all in accordance with the provisions of Article II of the Standard Conditions, and with the Strategic Plan for Biodiversity 2011-2020 and the Aichi Biodiversity Targets.

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 not to exceed twelve million United States Dollars ($12,000,000) ("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.

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 Events of Suspension referred to in Section 4.02 (k) of the Standard Conditions consists of the following:
(a) The Inter-institutional Agreement or any of its provisions shall have been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely, in the opinion of the World Bank, the ability of the Recipient and/or of any of the Partner Entities to perform any of their respective obligations under the Inter-institutional Agreement.

(b) Any of the Partner Entities shall have failed to perform any of its respective obligations under the Inter-institutional Agreement.

(c) The Recipient’s Legal Framework shall have been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely, in the opinion of the World Bank, the ability of the Recipient to perform any of its obligations under this Agreement.

(d) 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 have been duly authorized or ratified by all necessary governmental and corporate action.

(b) If the World Bank so requests, the condition of the Recipient, as represented or warranted to the World Bank at the date of this Agreement, has undergone no material adverse change after such date.

(c) The Inter-institutional Agreement has been amended and executed on behalf of the Recipient and each of the Partner Entities, respectively.

(d) the Project Operations Manual has been updated and adopted by the Recipient in a manner acceptable to the World Bank.

5.02. As part of the evidence to be furnished pursuant to Section 5.01 (a) and (c), there shall be furnished to the World Bank an opinion or opinions satisfactory to the World
Bank of counsel acceptable to the World Bank or, if the World Bank so requests, a certificate satisfactory to the World Bank of a competent official of the Member Country or the Recipient, showing the following matters, respectively:

(a) on behalf of the Recipient, that this Agreement has been duly authorized or ratified by, and executed and delivered on its behalf and is legally binding upon it in accordance with its terms; and

(b) the Inter-institutional Agreement has been duly authorized or ratified by the Recipient and each of the Partner Entities and is legally binding upon each such party 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 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.

5.04. Termination for Failure to Become Effective. 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 (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. The Recipient’s Representative referred to in Section 7.02 of the Standard Conditions is its Executive Director.

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

Patrimonio Natural Fondo para la Biodiversidad y Áreas Protegidas – PNF
Calle 72 No. 12-65 Piso 6
Edificio Skandia
Bogotá, D.C.
Colombia

Telex: 7562602 Facsimile: 7562602-Ext.101
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

Telex: 248423 (MCI) or 64145 (MCI)
Facsimile: 1-202-477-6391

AGREED at Bogotá, Colombia, as of the day and year first above written.

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

By

Authorized Representative

Name: Issam A. Abouleimen
Title: Country Manager - Colombia

PATRIMONIO NATURAL FONDO PARA LA BIODIVERSIDAD Y AREAS PROTEGIDAS-PNF

By

Authorized Representative

Name: Franquez Alberto Eslain S
Title: Director
SCHEDULE 1

Project Description

The objective of the Project is to improve governance and promote sustainable land use activities in order to reduce deforestation and conserve biodiversity in the Project Areas.

The Project consists of the following parts:

Part 1: Protected Areas Management and Financial Sustainability

A. Strengthen the management effectiveness of five (5) existing protected areas in the Project Areas, including PNNSCH and its buffer zone, through, *inter alia*, the design and implementation of a management plan for the PNNSCH, and minor works for the rehabilitation of research and surveillance posts in the protected areas.

B. Increase the financial sustainability of about 2.7 hectares of existing protected areas within the PNNSCH and its buffer zone.

C. Establish three (3) new regional protected areas and expand PNNSCH.

D. Establish, and operationalize an endowment fund to ensure the financial sustainability of the protected areas.

Part 2: Forest Governance, Management and Monitoring

A. Enhance the institutional capacity and financial sustainability for sustainable landscape governance, management, and monitoring of the Project Areas.

B. Enhance the institutional capacity of the Recipient and Partner Entities to monitor GHG emission reductions in the Project Areas.

C. Enhance the capacity of indigenous peoples’ authorities for sustainable land-use practices and forest governance within indigenous territories in the Project Areas.

D. Support the collection and disclosure of data on reduction of deforestation in the Project Areas.

E. Design and implement a technical coordination mechanism to support the operational interface between, *inter alia*, the System of Environmental Information of the Amazon (SIATAC), the Forest and Carbon Monitoring System (SMByC).
Part 3: Sectoral Programs for Sustainable Landscape Management

A. Support improvement of cross-sectoral policy coordination and consistency to achieve long term-reductions in deforestation in the Project Areas.

B. Support the development and adoption of guidelines and programs in, *inter alia*, agriculture, extractive industries and infrastructure sectors, aimed at reducing pressures on forests and biodiversity, and GHG emissions and restoring ecosystems in the Project Areas.

C. (i) Develop plans to promote sustainable land-use and natural resource management practices that contribute to, *inter alia*, reducing pressure on forests and advancing the livelihoods of local communities in the Project Areas; (ii) implement plans for the development of agro-productive systems in the Project Areas; and (iii) implement plans for the restoration of vegetation in the Project Areas.

Part 4: Project Coordination, Management, Monitoring and Evaluation

A. Strengthen the PCU to ensure coordination, management, monitoring, evaluation, and communication in connection with the implementation of the Project.

B. Carry out regional knowledge exchange and capacity building activities, including the harmonization of information between the environmental authorities of the Member Country, and those of, *inter alia*, Brazil and Peru.
SCHEDULE 2

Project Execution

Section I.  Institutional and Other Arrangements

A.  Institutional Arrangements

1.  The Recipient shall operate and maintain, throughout the implementation of the Project, the PCU, headed by a Project coordinator, with functions, responsibilities and sufficient resources, acceptable to the World Bank, and staffed with competent personnel in adequate numbers, including, but not limited to, a protected areas specialist, an indigenous peoples specialist, a deforestation specialist, a procurement specialist, a financial management specialist, sectoral policies management specialist and a monitoring and evaluation specialist, all with qualifications, experience and terms of reference acceptable to the World Bank. The PCU shall be responsible for, *inter alia*, the day-to-day financial management and procurement activities of the Project.

2.  The Recipient shall with the assistance of the Partner Entities, operate and maintain, throughout the implementation of the Project, an EC, with functions, responsibilities and sufficient resources, acceptable to the World Bank, and comprised of qualified representatives from the Recipient and each of the Partner Entities. The EC shall be responsible for, *inter alia*, providing technical guidance to the PCU, and supervising the implementation of the Project.

3.  Pursuant to the provisions of the Inter-institutional Agreement, the Recipient shall ensure that the Member Country, through the MADS, operate and maintain, throughout the period of implementation of the Project, an AC, chaired by MADS, with functions, responsibilities and structure, acceptable to the World Bank, and comprised of qualified representatives from, *inter alia*, the Partner Entities, which shall be responsible for providing non-binding strategic guidance, and assisting in the resolution of inter-sectoral issues under the Project.

4.  For the purposes of carrying out Parts 1, 2, 3, and 4.B of the Project, the Recipient shall, or shall cause SINCHI, as the case may be, to amend existing agreements or enter into new agreements ("Cooperation Agreements"), on terms and conditions acceptable to the World Bank, and further detailed in the POM, with Cooperation Entities of the Member Country.

5.  The Recipient shall: (i) prepare and furnish to the World Bank, an Annual Operating Plan of such scope and detail as the World Bank shall have reasonably requested (including, without limitation, a budget and indication of source of funds, the necessary counterpart funds and all measures taken or to be taken in accordance with the Safeguard Instruments during the implementation of the
Project) as follows: (A) for the first year of Project implementation, not later than three months after the Effective Date; and (B) for the second year of Project implementation and then immediately following calendar years of Project implementation, not later than November 30 of each calendar year; and (ii) immediately thereafter, implement, and/or cause to be implemented, the adopted Annual Operating Plan in accordance with its terms and in a manner satisfactory to the World Bank.

B. Inter-institutional Agreement

1. For purposes of carrying out the Project, the Recipient shall enter into an Inter-institutional Agreement with the Partner Entities, on terms and conditions acceptable to the World Bank, including, *inter alia*:

   (a) the obligation of the Partner Entities to assist the Recipient in the carrying out of the Project in accordance with the provisions of this Agreement, the pertinent AOP, the POM and the Safeguard Instruments;

   (b) comply with the provisions of the Anti-Corruption Guidelines; and

   (c) maintain said agreement in full force and effect, throughout the implementation of the Project.

2. The Recipient shall exercise its rights and carry out its obligations under the Inter-institutional 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. Except as the World Bank shall otherwise agree, the Recipient shall not assign, amend, abrogate, waive, terminate or fail to enforce the Inter-institutional Agreement or any provision thereof.

3. In case of any conflict between the provisions of the Inter-institutional Agreement and those of this Agreement, the provisions of this Agreement shall prevail.

C. Sub-grant Agreement

1. For the purposes of carrying out Parts 2.E and 3.C(i) and (ii) of the Project, the Recipient shall make available part of the proceeds of the Grant ("the Sub-grant") to SINCHI by amending the existing agreement ("the Sub-grant Agreement") between the Recipient and SINCHI, under terms and conditions acceptable to the World Bank, and further detailed in the POM.

2. The Recipient shall take all the measures necessary to ensure that, in making the Sub-grant available to SINCHI, it shall obtain rights adequate to protect the interests of the Recipient and those of the World Bank, including the right to:
(a) Suspend or terminate the right of SINCHI to use the proceeds of the Sub-grant, or obtain a refund of all or any part of the amount of the Sub-grant then withdrawn, upon the failure of SINCHI to perform any of its obligations under the Sub-grant Agreement.

(b) Require SINCHI to:

(i) carry out Parts 2.E and 3.C(i) and (ii) of the Project with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, and environmental and social standards and practices, acceptable to the World Bank, including in accordance with the provisions of the Anti-Corruption Guidelines applicable to the recipients of Grant proceeds other than the Recipient, the Safeguard Documents and the POM;

(ii) provide, promptly as needed, the resources required for the purposes of carrying out Parts 2.E and 3.C(i) and (ii) of the Project;

(iii) procure the goods and services to be financed out of the proceeds of the Sub-grant in accordance with the provisions of Section III of Schedule 2 to this Agreement;

(iv) enable the Recipient and the World Bank to inspect activities carried out under Parts 2.E and 3.C(i) and (ii) of the Project, its operation and any relevant records and documents;

(v) maintain policies and procedures adequate to enable the Recipient to monitor and evaluate, in accordance with indicators acceptable to the World Bank, the progress of the activities carried out under Parts 2.E and 3.C(i) and (ii) of the Project and the achievement of its objectives;

(vi) (A) maintain a financial system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the World Bank, both in a manner to reflect the operations, resources and expenditures related to Parts 2.E and 3.C(i) and (ii) of the Project; and (B) have such financial statements audited, on an annual basis, by independent auditors acceptable to the World Bank, in accordance with consistently applied auditing standards acceptable to the World Bank, and promptly furnish the statements as so audited to the Recipient and the World Bank; and
prepare and furnish to the Recipient and the World Bank all such information as the Recipient or the World Bank shall reasonably request related to the foregoing.

3. The Recipient shall exercise its rights and carry out its obligations under the Subgrant Agreement in such manner as to protect the interests of the Recipient and the World Bank and to accomplish the purposes of the Grant. Except as the World Bank shall otherwise agree, the Recipient shall not assign, amend, abrogate, waive, terminate or fail to enforce the Sub-grant Agreement or any of its provisions.

4. In case of any conflict between the provisions of the Sub-grant Agreement and this Agreement, the provisions of this Agreement shall prevail.

D. Project Operations Manual

1. The Recipient shall update, and thereafter adopt and carry out the Project in accordance with the provisions of the updated POM, which sets forth, inter alia:

   (a) the detailed description of Project implementation activities, their sequencing and the prospective timetable;

   (b) the detailed description of the division of functions and responsibilities of the Recipient, and each of the Partner Entities in the implementation of the Project;

   (c) the Project administrative, procurement, environmental and social, financial management and disbursement requirements and procedures;

   (d) the plan for the monitoring, evaluation and supervision of the Project;

   (e) the performance indicators for the Project; and

   (f) the Project Areas.

2. In the event of any conflict between the provisions of the POM and those of this Agreement, the terms of this Agreement shall prevail.

E. Safeguards

1. The Recipient shall ensure that the Project is carried out in accordance with the Safeguard Documents.

2. Without limitation of the provisions referred to in paragraph 1 above, if an environmental and social management plan or similar safeguard instrument would be required on the basis of the ESMF and IPPF, as the case may be, the Recipient
shall specifically take the following actions, in a manner acceptable to the World Bank:

(a) such Environmental and Social Management Plan (ESMP) and Indigenous Peoples Plan (IPP), as the case may be, or similar safeguard instrument shall be prepared in accordance with the requirements of the ESMF, consulted and disclosed locally and furnished to the World Bank for approval; and

(b) the pertinent Project activity shall be carried out in accordance with such ESMP and the IPP, as the case may be or similar safeguard instrument as approved by the World Bank.

3. The Recipient shall include in the Project Reports referred to in Section II.A of this Schedule, adequate information on the implementation of the Safeguard Documents, giving details of:

(a) measures taken in furtherance of the Safeguard Documents;

(b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of the Safeguard Documents; and

(c) remedial measures taken or required to be taken to address such conditions and to ensure the continued efficient and effective implementation of the Safeguard Documents.

4. The Recipient shall not assign, amend, abrogate or waive, or permit to be assigned, amended, abrogated or waived, the Safeguard Documents, or any provision thereof without the prior written agreement of the World Bank.

5. The Recipient shall ensure that the terms of reference for any consultancies related to the technical assistance or capacity building activities under the Project shall be acceptable 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’s Safeguard Policies then in force, as applied to the advice conveyed through such technical assistance and capacity building activities.

6. The Recipient shall maintain, and publicize the availability of, grievance redress mechanisms to hear and determine fairly and in good faith, and in accordance with the Safeguard Documents, all complaints raised in relation to the implementation of the Safeguard Documents by Project affected persons or communities, and take all measures necessary to implement the determinations made under such grievance redress mechanisms in a manner acceptable to the World Bank.
7. In the event of a conflict among the provisions of any of the Safeguard Documents and those of this Agreement, the provisions of this Agreement shall prevail.

F. 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 and as of July 1, 2016 (“Anti-Corruption Guidelines”).

G. Donor Visibility and Visit

1. The Recipient shall take or cause to be taken all such measures as the World Bank may reasonably request to identify publicly the Donor’s support for the Project.

2. For the purposes of Section 2.09 of the Standard Conditions, the Recipient shall, upon the World Bank’s request, enable the representatives of the Donors to visit any part of the Member Country’s territory for purposes related to the Project.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports; Completion Report

1. The Recipient 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 the indicators acceptable to 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 forty-five (45) after the end of the period covered by such report.

2. 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.

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 shall ensure that interim unaudited financial reports for the Project are prepared and furnished to the World Bank not later than forty-five (45) after the end of each calendar semester, covering the semester, in form and substance satisfactory to the World Bank.
3. 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. Each such audit of the Financial Statements shall cover the period of one fiscal year of the Recipient, and shall include the audit of use of funds under Part 2.B and 3.C (i) and (ii) by SINCHI. The audited Financial Statements for each such period shall be furnished to the World Bank not later than six months after the end of such period.

Section III. Procurement

All goods, works, non-consulting services and consulting 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 the “World Bank Procurement Regulations for Borrowers under Investment Project Financing” dated July 1, 2016 (“Procurement Regulations”), and the provisions of the Recipient’s procurement plan for the Project (“Procurement Plan”) dated August 30, 2017 provided for under Section IV of the Procurement Regulations, as the same may be updated from time to time in agreement with 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 “Disbursement Guidelines for Investment Project Financing” dated February 2017, 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:
<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Grant Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, works, non-consulting services, consultants’ services,</td>
<td>10,642,292</td>
<td>100%</td>
</tr>
<tr>
<td>Training and Operating Costs under Parts 1, 2.A, 2.B, 2.C, 2.D, 3.A,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.B, 3.C(iii) and 4 of the Project</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2) Goods, non-consulting services, consultants’ services, Training</td>
<td>1,357,708</td>
<td>100%</td>
</tr>
<tr>
<td>and Operating Costs under Part 2.E and 3.C.(i) and (ii) of the Project</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>12,000,000</td>
<td></td>
</tr>
</tbody>
</table>

For the purposes of this Section IV.A.:

(a) “Training” means the reasonable costs, as shall have been approved by the World Bank, for training and workshops conducted under the Project, including tuition, travel and subsistence costs for training and workshop participants, costs associated with securing the services of trainers and workshop speakers, rental of training and workshop facilities, preparation and reproduction of training and workshop materials, and other costs directly related to training course and workshop preparation and implementation (but excluding goods and consultants’ services).

(b) “Operating Costs” means the reasonable costs, as shall have been approved by the World Bank, for the incremental expenses incurred on account of Project administration, implementation, monitoring and evaluation consisting of vehicle operation and maintenance, communication and insurance costs, banking charges, office rental expenses, freight charges, office (and office equipment) maintenance, utilities, printing, non-durable goods, travel cost and *per diem* for Project staff for travel linked to the implementation, monitoring and supervision.
of the Project, and salaries of contractual staff working for the Project (but excluding consultants' services and salaries of officials of the Member Country’s civil service).

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section no withdrawal shall be made:

   (a) for payments made prior to the date of this Agreement; and
   
   (b) for Category (2), until the Sub-Grant Agreement has been amended, in form and substance acceptable to the World Bank, has been executed by the Recipient and SINCHI.

2. The Closing Date referred to in Section 3.06 (c) of the Standard Conditions is June 30, 2022.

Section V. Other Undertakings

The Recipient and the World Bank hereby agree to amend the Original Grant Agreement as set forth in Schedule 3 to this Agreement.
SCHEDULE 3

Amendment to the Original Grant Agreement

The Recipient and the World Bank hereby agree to amend the Original Grant Agreement as follows:

1. Article 2.01 of the Original Grant Agreement is hereby amended to read in its entirety as set forth in Article 2.01 of this Agreement.

2. Schedule 1 to the Original Grant Agreement is hereby amended to read in its entirety as set forth in Schedule 1 to this Agreement.

3. Section I.F. of Schedule 2 to the Original Grant Agreement is hereby amended to read in its entirety as set forth in Schedule 2 to this Agreement.

4. Section I.G. of Schedule 2 to the Original Grant Agreement is hereby incorporated to read in its entirety as set forth in Schedule 2 to this Agreement.

5. Section III of Schedule 2 to the Original Grant Agreement is hereby amended to read in its entirety as follows:

"1. All goods, works, 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 following provisions:

(a) Goods, Works and Non-consulting Services. All Goods and Non-consulting Services: (a) for which the procurement process has started before the Effective Date of the Additional Financing Grant Agreement, shall be procured in accordance with Section I of the Procurement Guidelines (excluding paragraph 1.16(e) of the Procurement Guidelines) and the provisions of 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 (b) for which the procurement process starts after the Effective Date of this Additional Financing Grant Agreement, shall be procured in accordance with the requirement set forth or referred to in: (i) the Procurement Regulations; and (ii) the provisions of the Procurement Plan.

(b) Consulting Services. All consulting services: (a) for which the procurement process has started before the Effective Date of the Additional Financing Grant Agreement, shall be procured in accordance with Sections I and IV of the Consultant Guidelines and the provisions of the Procurement Plan prepared and updated
from time to time by the Recipient for the Project in accordance
with paragraph 1.25 of the Procurement Guidelines; and (b) for
which the procurement process starts after the Effective Date of
the Additional Financing Grant Agreement, shall be procured in
accordance with the Procurement Regulations and the provisions
of the Procurement Plan.”

6. Paragraph 1 of Section IV.A.1 of Schedule 2 to the Original Grant Agreement is
hereby amended to read in its entirety as set forth in paragraph 1 of Section IV.A.1
of Schedule 2 to this Agreement.

7. The table of paragraph 2 of Section IV. B.2 of Schedule 2 to the Original Grant
Agreement is hereby amended to read in its entirety as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Grant Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, works, non- consulting services, consultants’ services,</td>
<td>TF 18478</td>
<td>100%</td>
</tr>
<tr>
<td>Training and Operating Costs under Parts 1, 2.A, 2.B, 2.C, 2.D, 3.A,</td>
<td></td>
<td></td>
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<tr>
<td>3.B, 3.C(iii), and 4 of the Project</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2) Goods, non-consulting services, consultants’ services, Training and</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Costs under Part 2.E and 3.C(i) and (ii) of the Project</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>10,400,000</td>
<td></td>
</tr>
</tbody>
</table>
The Appendix to the original Financing Agreement is amended as follows:

(a) The following definitions are introduced and placed in alphabetical order:

"Additional Financing Grant Agreement" means the agreement between the Recipient and the World Bank as of the date of its signature for purposes of providing additional financing for activities related to the Project.

"CDA" means Sustainable Development Corporation for the Northern and Eastern Amazon, established as a legal entity under the Member Country’s Law 99/93 dated December 22, 1993, or any successor thereto.

"CORPOAMAZONIA" means Sustainable Development Corporation for the South Amazon established as a legal entity under the Member Country’s Law 99/ dated December 22, 1993, or any successor thereto.

"Effective Date" means 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”) of the Additional Financing Grant Agreement.

"IPPF" or "Indigenous People Planning Framework" means the Recipient’s framework duly published in the Member’s Country’s territory on March 13, 2017 and on the World Bank’s external website on May 17, 2017, detailing measures to mitigate any adverse impact on indigenous peoples as a result of any activity carried out under the Project and to ensure that they benefit from the Project, including procedures for the preparation and implementation of the pertinent indigenous peoples development plans.

"Original Grant Agreement" means the grant agreement in support of the Original Project, between the Recipient and the International Bank for Reconstruction and Development, dated January 21, 2015 as amended to the date of this Agreement (GEF GRANT TF018478).

"Original Project" means the project described in Schedule 1 to the Original Grant Agreement.

The following definitions are hereby amended to read in their entirety as follows:


“Environmental and Social Management Framework” or “ESMF” means the environmental and social framework, dated July 2014, updated and duly published in the Member Country’s territory on March 13, 2017 and the World Bank’s external website on May 17, 2017, setting forth mitigation, monitoring, and institutional measures to address environmental and social impacts of Project activities, including impacts on natural habitats, physical cultural resources, indigenous peoples or economically displaced persons, offset negative impacts, or reduce them to acceptable levels, or enhance positive environmental and social impacts, as said ESMF may be modified from time to time with the prior written agreement of the World Bank, and such term includes any schedules or annexes to such framework, including the guidelines for preparing and implementing Environmental and Social Management Plans.

“Partner Entities” means IDEAM, MADS, PNN, SINCHI, CDA and CORPOAMAZONIA.

“Process Framework” or “PF” means the framework, dated August 2014, updated and adopted by the Recipient and the Partner Entities and duly published in the Member Country’s territory on March 13, 2017, and in the World Bank external website on May 17, 2017, which sets forth the measures to address restrictions of access to legally designated parks and protected areas within the Project Areas.
APPENDIX

Definitions

1. “Advisory Committee” or “AC” means the advisory committee established within MADS, referred to in Section I.A.3. of Schedule 2 to this Agreement.

2. “Annual Operating Plan” or “AOP” means each adopted annual operating plan referred to in Section I.A.5. of Schedule 2 to this Agreement.


4. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.

5. “CDA” means Sustainable Development Corporation for the Northern and Eastern Amazon, established as a legal entity under the Member Country’s Law 99/93 dated December 22, 1993, or any successor thereto.

6. “Cooperation Agreements” means any of the agreements referred to in Section I.A.4. of Schedule 2 to this Agreement, as the same may be amended from time to time, with the prior approval and in a manner satisfactory to the World Bank.

7. “Cooperation Entities” means any public or private legal entity established and operating in the Member Country with a mandate to act on environmental and indigenous people’s issues or operating in sectors related to Part 3 of the Project.

8. “CORPOAMAZONIA” means Sustainable Development Corporation for the South Amazon established as a legal entity under the Member Country’s Law 99/ dated December 22, 1993, or any successor thereto.

9. “Environmental and Social Management Framework” or “ESMF” means the environmental and social framework, dated July 2014, updated and duly published in the Member Country’s territory on March 13, 2017 and the World Bank’s external website on May 17, 2017, setting forth mitigation, monitoring, and institutional measures to address environmental and social impacts of Project activities, including impacts on natural habitats, physical cultural resources, indigenous peoples or economically displaced persons, offset negative impacts, or reduce them to acceptable levels, or enhance positive environmental and social impacts, as said ESMF may be modified from time to time with the prior written agreement of the World Bank, and such term includes any schedules or annexes to such framework,
including the guidelines for preparing and implementing Environmental and Social Management Plans.

10. “Executive Committee” or “EC” means the executive committee referred to in Section I.A.2. of Schedule 2 to this Agreement.


12. “Guidelines for Indigenous Peoples Living in Voluntary Isolation” means the guidelines, dated September 2014, adopted by the Recipient and the Partner Entities, which sets forth, inter alia, the measures to avoid, minimize or mitigate potential Project impacts on indigenous peoples living in voluntary isolation within the Project Area and the action plan of measures to ensure that said Indigenous Peoples receive culturally appropriate benefits from the Project.

13. “IDEAM” means Instituto de Hidrologia, Meteorologia y Estudios Ambientales, the Member Country’s Institute of Hydrology, Meteorology and Environmental Studies, established as a legal entity under the Member Country’s Law No. 99, dated 1993 and Decree No. 1227, dated 1994 and operating under the bylaws approved by the Decree No. 2241, dated 1995 and modified by Decree No.291, dated 2004, or any successor thereto.

14. “IPPF” or “Indigenous People Planning Framework” means the Recipient’s framework duly published in the Member’s Country’s territory on March 13, 2017 and on the World Bank’s external website on May 17, 2017, detailing measures to mitigate any adverse impact on indigenous peoples as a result of any activity carried out under the Project and to ensure that they benefit from the Project, including procedures for the preparation and implementation of the pertinent indigenous peoples development plans.

15. “Indigenous Peoples Plan” or “IPP” means the indigenous peoples plan covering the indigenous peoples reserves of Puerto Zabalo-Los Monos, Monochoa, Aduche, Nonuya de Villazul, Mesai, Miriti-Parana, and Yaguara II, dated September 2014, setting forth, inter alia, the measures to avoid, minimize or mitigate potential Project impacts on indigenous peoples, the process for ensuring free, prior and informed consultation with indigenous peoples required by the World Bank OP/BP 4.10 and the action plan of measures to ensure that indigenous peoples receive culturally appropriate benefits from the Project.

16. “Inter-institutional Agreement” means the agreement referred to in Section I.B. of Schedule 2 to this Agreement, as the same may be amended from time to time, with the prior approval and in a manner satisfactory to the World Bank.

17. “MADS” means Member Country’s Ministry of Environment and Sustainable Development, or any successor thereto.
18. "Original Grant Agreement" means the grant agreement in support of the Original Project, between the Recipient and the International Bank for Reconstruction and Development, dated January 21, 2015 as amended to the date of this Agreement (GEF GRANT TF018478).

19. "Original Project" means the project described in Schedule 1 to the Original Grant Agreement.

20. "Partner Entities" means IDEAM, MADS, PNN, SINCHI, CDA y CORPOAMAZONIA.

21. "PNN" means the Parques Nacionales Naturales de Colombia, the Member Country’s National Natural Parks, or any successor thereto.

22. "PNNSCH" means Parque Nacional Natural Serrania de Chiribiquete, the Member Country’s Chiribiquete Mountain Ridge National Park.

23. "Process Framework" or "PF" means the framework, dated August 2014, updated and adopted by the Recipient and the Partner Entities and duly published in the Member Country’s territory on March 13, 2017, and in the World Bank external website on May 17, 2017, which sets forth the measures to address restrictions of access to legally designated parks and protected areas within the Project Areas.

24. "Procurement Plan" means the Recipient’s procurement plan for the Project, dated August 30, 2017, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.


26. "Project Areas" means an area in the territory of the Member Country, which includes the: (i) protected areas, including, inter alia: PNNSCH; (ii) Ariari-Guayabero District of Integrated Management of Natural Renewable Resources located in the Member Country’s municipality of San José del Guaviare; (iii) indigenous peoples reserves, including, inter alia: Puerto Zabalo-Los Monos, Monochoa, Aduche, Nonuya de Villazul, Mesai, Miriti-Parana, and Yaguara II; (iv) reserve areas in the Amazon forests of about 3.52 million hectares located in, inter alia, the Member Country’s Departments of Caqueta and Guaviare; and (v) an area of about 0.46 million ha outside the Amazon forests located in, inter alia, the Member Country’s municipalities of Cartagena del Chaira, Calamar and San José del Guaviare; and any other area located in the Member Country’s territory as agreed between the World Bank and the Recipient.
27. "Project Coordination Unit" or "PCU" means the unit to be established within the Recipient referred to in Section I.A.1. of Schedule 2 to this Agreement.

28. "Project Operations Manual" or "POM" means the manual, satisfactory to the World Bank, referred to in Section I.D. of Schedule 2 to this Agreement, as the same may be amended from time to time, after the prior approval of the World Bank.

29. "Recipient's Legal Framework" means the public deed duly registered in the entry No. 00093709 of Book 1 (Nonprofit entities) of the Chamber of Commerce in Bogotá on January 17, 2006, by which the Recipient is established as a nonprofit foundation.

30. "Safeguard Documents" means collectively the ESMF, the IPP, the Guidelines for Indigenous Peoples Living in Voluntary Isolation the PF and the IPPF.

31. "SINCHI" means the Instituto Amazónico de Investigaciones Científicas SINCHI, the Member Country's Institute for Scientific Research in the Amazon, established and operating as a non-profit legal entity under the Member Country's Law No. 99, dated December 22, 1993 and Decree 1063, dated July 27, 1994 and organized under the bylaws approved by the Law No. 29, dated 1990 and Decree No. 393, dated 1991, or any successor thereto.


33. "Strategic Plan for Biodiversity 2011-2020 and the Aichi Biodiversity Targets" means the United Nations Convention for Biological Diversity (CBD) overarching framework on biodiversity, including its biodiversity targets, adopted at the Conference of the Parties (COP) to the CBD by COP 10 Decision X/2, dated October 2010.

34. "Sub-grant" means the grant made out of the proceeds of the Grant to SINCHI for the carrying out of Part 3.C(i) and (ii) of the Project.

35. "Sub-grant Agreement" means the agreement referred to in Section I.C.1 of Schedule 2 to this Agreement.