

22-oct.-2021

Miguel Ceara Hatton
Minister of Economy, Planning and Development
Ministry of Economy, Planning and Development
Av. México Esq. Dr. Delgado, Distrito Nacional
Santo Domingo,
Dominican Republic

Re: GEF Grant No. TF0B7197
Integrated Landscape Management in Dominican Republic
Watersheds Project
Letter Agreement

Excellency,

In response to the request for financial assistance made on behalf of the Dominican Republic (“Recipient”), I am pleased to inform you that the International Bank for Reconstruction and Development (“Bank”), acting as Implementing Agency of the Global Environment Facility (GEF), proposes to extend to the Recipient a grant in an amount not to exceed four million sixty-three thousand nine hundred twenty-seven United States Dollars (USD 4,063,927) (“Grant”) on the terms and conditions set forth or referred to in this letter agreement (“Agreement”), which includes the attached Annex, to assist in the financing of the project described in the Annex (“Project”).

This Grant is funded out of GEF for which the Bank receives periodic contributions. In accordance with Section 3.02 of the Standard Conditions (as defined in the Annex to this Agreement), the Bank’s payment obligations in connection with this Agreement are limited to the amount of funds made available to it by the GEF under the abovementioned trust fund, and the Recipient’s right to withdraw the Grant proceeds is subject to the availability of such funds.

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

Please confirm the Recipient's agreement to the foregoing by having an authorized official of the Recipient sign and date this Agreement and returning one duly executed copy to the Bank.

Very truly yours,
INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

Acting as Implementing Agency of the Global Environment Facility

By Michel Kerf
Michel Kerf
Country Director
Central America and the Dominican Republic
Latin America and the Caribbean Region

AGREED:

DOMINICAN REPUBLIC

By [Signature]
Authorized Representative
Name Miguel Ceara Hattón
Title Ministro
Date 23/nov/2021



Enclosures:

- (1) "International Bank for Reconstruction and Development and International Development Association Standard Conditions for Grant Financing Made by the Bank out of Trust Funds" dated February 25, 2019
- (2) Disbursement and Financial Information Letter of the same date as this Agreement, together with the "Disbursement Guidelines for Investment Project Financing", dated February 2017

ANNEX

Article I

Standard Conditions; Definitions

1.01. **Standard Conditions.** The Standard Conditions (as defined in Section 1.02 below) constitute an integral part of this Agreement.

1.02. **Definitions.** Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the Standard Conditions or in this Section:

- (a) “Advisory Committee” means the committee referred to in Section 2.03(d) of this Annex.
- (b) “Anti-Corruption Guidelines” means, for purposes of paragraph 2 of the Appendix to the Standard Conditions, 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.
- (c) “Category” means a category set forth in the table in Section 3.01 of this Agreement.
- (d) “Eligible Beneficiary” means a group formed by agricultural producer organizations, organized in associations, cooperatives, unions or any other form of incorporation with a legal personality (*persona juridica*); and/or a non-governmental organization duly established in the Recipient’s territory in accordance with the applicable laws; and/or local residents and communities (organized as associations, cooperatives, unions or any other form of incorporation with a legal personality) eligible for receiving financing from the Grant proceeds for carrying out a Sub-project under Part 3(c) of the Project.
- (e) “Endorsement Letter” means a letter signed by the Member Country through MARN, dated March 25, 2019 endorsing the activities under the Project and the role of the Recipient for the implementation of said Project, as further detailed in the Project Operational Manual.
- (f) “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated September 3, 2021, as the same may be amended from time to time in accordance with the provisions thereof, which sets out the material measures and actions that the Recipient shall carry out or cause to be carried out to address the potential environmental and social risks and impacts of the Project, including the timeframes of the actions and measures, institutional, staffing, training, monitoring and reporting arrangements, and any environmental and social instruments to be prepared thereunder.
- (g) “Environmental and Social Standards” or “ESSs” means, collectively: (i) “Environmental and Social Standard 1: Assessment and Management of Environmental and Social Risks and Impacts”; (ii) “Environmental and Social Standard 2: Labor and Working Conditions”; (iii) “Environmental and Social Standard 3: Resource Efficiency and Pollution Prevention and Management”; (iv) “Environmental and Social Standard 4: Community Health and Safety”; (v) “Environmental and Social Standard 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement”; (vi) “Environmental and Social Standard 6:

Biodiversity Conservation and Sustainable Management of Living Natural Resources”; (vii) “Environmental and Social Standard 7: Indigenous Peoples/Sub-Saharan Historically Underserved Traditional Local Communities”; (viii) “Environmental and Social Standard 8: Cultural Heritage”; (ix) “Environmental and Social Standard 9: Financial Intermediaries”; (x) “Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure”; effective on October 1, 2018, as published by the Bank.

- (h) “Excluded Activities” means, collectively any of the activities listed, or activities that produce and/or use materials listed in the Environmental and Social Management Framework (ESMF) defined in the ESCP and in the Operational Manual and which are classified and referred to as part of the negative list in the ESMF and the Operational Manual.
- (i) “Inter-institutional Agreement” means the agreement between MARN, MAG and MEPyD referred to in Section 2.03(d) of this Annex.
- (j) “MAG” means *Ministerio de Agricultura*, the Recipient’s Ministry of Agriculture, or any successor thereto acceptable to the Bank.
- (k) “*Mancomunidades*” means a grouping of the Recipient’s neighboring municipalities.
- (l) “MARN” means *Ministerio de Medio Ambiente y Recursos Naturales*, the Recipient’s Ministry of Environment and Natural Resources, or any successor thereto acceptable to the Bank.
- (m) “MEPyD” means *Ministerio de Economía, Planificación y Desarrollo*, the Recipient’s Ministry of Economy, Planning and Development, or any successor thereto acceptable to the Bank.
- (n) “Operating Costs” means the reasonable incremental costs (which would not have been incurred absent the Project) for the implementation, management and supervision of the Project, including, *inter alia*: operation and maintenance of office equipment; rental of offices; utilities; non-durable and/or consumable office materials; bank charges; operation and maintenance of vehicles (including fuel and insurance), communication, printing and publications consumables, travel cost and per diem for Project staff for travel linked to the implementation of the Project.
- (o) “Operational Manual” means the Recipients’ manual referred to in Section 2.03(f), as the same may be amended from time to time with the prior written consent of the Bank, and such term includes any schedules to such manual.
- (p) “PIU” means the unit referred to in Section 2.03(a) of this Annex.
- (q) “Procurement Regulations” means, for purposes of paragraph 20 of the Appendix to the Standard Conditions, the “World Bank Procurement Regulations for IPF Borrowers”, dated November 2020.

- (r) “SNIP Code” means a code number to be assigned to the Project under the Recipient’s National Public Investment System in accordance with Decree No. 493-07, published in the Recipient’s Official Gazette on September 4, 2007.
- (s) “Standard Conditions” means the “International Bank for Reconstruction and Development and International Development Association Standard Conditions for Grant Financing Made by the Bank out of Trust Funds”, dated February 25, 2019.
- (t) “Steering Committee” means the committee referred to in Section 2.03(c) of this Annex.
- (u) “Sub-project Agreement” means the agreement referred to in Section 2.03(g) of this Annex.
- (v) “Sub-project” means a set of activities to be implemented by an Eligible Beneficiary consisting of small-scale productive investments, including, *inter alia*, shade-grown coffee and cocoa agroforestry systems; restoration and protection of riverbanks, wetlands, and riparian forests; restoration of degraded and fragmented forest ecosystems; and diversification of environmentally sustainable livelihoods, which Sub-project is selected, approved and implemented in accordance with the requirements of the Operational Manual.
- (w) “Training” means expenditures (other than those for goods and consultants’ services) incurred by the Recipient to finance the reasonable travel costs (*inter alia*, accommodation, transportation, travel insurance and per diem) of trainees and trainers (if applicable), training registration fees, rental of training facilities and equipment, logistics and printing services, as well as preparation and reproduction of training materials.
- (x) “Yaque del Norte” means the Yaque del Norte watershed located in the La Vega Province in the Dominican Republic.
- (y) “Yuna” means the Yuna watershed located within the La Vega, Monseñor Nouel, Sánchez Ramírez, Hermanas Mirabal, Duarte, and Sánchez Provinces in the Dominican Republic.

Article II Project Execution

2.01. ***Project Objectives and Description.*** The objective of the Project is to strengthen integrated landscape management in targeted watersheds in the Dominican Republic.

The Project consists of the following parts:

Part 1: Enabling Environment for Integrated Landscape Management and Land Degradation Neutrality

1.1 Promote a Governance Structure for Planning and Dialogue on Integrated Landscape Management.

Capacity building support and strengthening of the Recipient’s institutional architecture for land use planning at the micro-basin, sub-basin, and basin levels in the Yaque del Norte and Yuna Watersheds.

1.2. Strengthen Capacities for Land-use Planning and Monitoring.

(a) Provision of financing for the development of: (i) a social and environmental characterization (an analysis of the regional landscape to determine impacts and needs of land management and environmental services); (ii) a biodiversity baseline study; (iii) an environmental agenda, including its drafting, participatory processes for its formulation and approval, and communications and dissemination activities; and (iv) strategic plans for territorial development for selected *Mancomunidades*, including, *inter alia*, the drafting of said strategic plans, the carrying out of workshops, consultations and communication and dissemination activities; (b) provision of support for the establishment of planning offices in the selected *Mancomunidades* for implementing and updating the strategic plans for territorial development; and (c) provision of support for the development of a knowledge platform, accessible to the public, to monitor and track the long-term impacts of the environmental agenda, strategic plans for territorial development, and integrated landscape management approaches being tested in Yaque del Norte and Yuna watersheds.

Part 2. Scaling up Sustainable Rice Production Systems to Improve Productivity, Water Use Efficiency, and Biodiversity Conservation

2.1. Identify and Develop Environmental and Social Baselines for Sustainable Rice Demonstration Plots.

Provision of support for the identification of sites for demonstration plots in the Yuna Watershed for sustainable rice production and establishment of baselines for indicators to monitor the impact of these practices on environmental and social variables, including, *inter alia*, the financing of equipment (including, *inter alia*, sampling equipment and metering wells) for the scoping, establishment, and monitoring of demonstration plots.

2.2. Sustainable Rice Production Demonstration Plots.

Provision of support for the establishment and maintenance of approximately 130 ha of demonstration plots, as identified under Part 2.1 of the Project, in the Yuna watershed to validate and disseminate sustainable rice production technologies, including, *inter alia*: (a) the management of the demonstration plots; (b) the monitoring of agricultural and environmental indicators; (c) the financing of *inter alia*, soil fertility, pesticide, and metal content detectors and lab analysis equipment; (d) the carrying out of surveys and validation workshops; (e) the improvements in extension services for sustainable rice production; (f) the dissemination of good practices for the carrying out of activities to increase and promote uptake of sustainable rice production practices; and (g) coordination among demonstration plots to share lessons learned and ensure consistent Project implementation.

Part 3: Restoration of Biodiversity and Hydrological Services in Critical Ecosystems

Provision of support to facilitate the expansion of environmental and climate-smart land use practices in priority areas of upper watersheds in Yaque del Norte and Yuna that contribute to biodiversity conservation, forest management, land degradation neutrality, and enhanced ecosystem services, through, *inter alia*: (a) the development of the criteria and guidelines for proposals and selection of Sub-projects; (b) the carrying out of workshops and the provision of technical assistance for the

preparation of Sub-project proposals; (c) the carrying out of Sub-projects; and (d) training and technical support for, *inter alia*, Sub-project management and implementation, gender inclusion and monitoring.

Part 4: Project Management and Monitoring and Evaluation

Provision of support to: (a) facilitate Project management and coordination for the implementation of the Project, including, *inter alia*, the preparation of an Annual Operations Plan and budget; fiduciary aspects (financial management and procurement); human resource management; safeguards compliance monitoring; monitoring and evaluation; knowledge management and sharing; and the implementation of strategies for communication and stakeholder engagement; and (b) finance the Project's annual audit.

2.02. ***Project Execution Generally.*** The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall carry out the Project through MARN in accordance with the provisions of: (a) Article II of the Standard Conditions; (b) the Anti-Corruption Guidelines; and (c) this Agreement.

2.03. ***Institutional and Other Arrangements.***

- (a) Project Implementation Unit. The Recipient, through MARN, shall establish and thereafter operate and maintain, at all times during Project implementation, a project implementing unit with a structure, functions and responsibilities acceptable to the Bank, as set forth in the Operational Manual ("PIU"), including, *inter alia*, the responsibility to lead overall Project technical implementation and financial management and procurement functions of the Project; (ii) staff said unit with personnel in number and with qualifications acceptable to the Bank and as set forth in the Operational Manual.
- (b) Not later than thirty (30) days after the Effective Date, the Recipient, through MARN, shall hire a procurement specialist, a financial management specialist, an environmental and a social specialist, with qualifications, terms of reference, and under terms and conditions acceptable to the Bank, and as further described in the Operational Manual and the ESCP.
- (c) Steering Committee. The Recipient shall establish and thereafter operate and maintain, at all times during Project implementation, a committee (the "Steering Committee") chaired by MARN and comprised of representatives of MARN, MAG, and MEPyD, with functions and responsibilities acceptable to the Bank and defined in the Operational Manual, including, *inter alia*, the responsibility to make strategic decisions to guide the implementation of the Project; and approve the Annual Operations Plan and annual budget of the Project.
- (d) Advisory Committee. No later than three (3) months after the Effective Date, the Recipient shall establish and thereafter operate and maintain, at all times during Project implementation, an advisory committee (the "Advisory Committee") comprised of representatives, with functions and responsibilities acceptable to the Bank and defined in the Operational Manual, including, *inter alia*, the responsibility to ensure coordination and synergies among the different Project stakeholders, provide inputs

for the Annual Operations Plan and the budget and assist the PIU to define the selection criteria for Sub-projects.

- (e) Inter-institutional Agreement. (i) To facilitate the carrying out of the Project, the Recipient, through MARN, shall enter into an Inter-institutional Agreement with MAG and MEPyD, under terms and conditions satisfactory to the Bank (the “Inter-institutional Agreement”) including, *inter alia*, the obligation of each MARN, MAG and MEPyD to: (A) appoint a representative to the Steering Committee; and (B) appoint and/or designate specialists to provide technical support on the Advisory Committee in addressing issues related to biodiversity, forest resources, soil conservation, water management, sustainable livelihoods, environmental management and education, social participation, gender, communications, and legal matters.
- (ii) The Recipient shall exercise its rights and carry out its obligations under the Inter-institutional Agreement in such manner as to protect the interests of the Recipient and the Bank and to accomplish the purposes of the Project. Except as the Bank shall otherwise agree, the Recipient shall not assign, amend, abrogate, fail to enforce or waive the Inter-institutional Agreement or any of its provisions.
- (iii) In case of a conflict between the provisions of the Inter-institutional Agreement and the provisions of this Agreement, the provisions of this Agreement shall prevail.
- (f) Operational Manual. (i) The Recipient shall carry out the Project in accordance with the provisions of a manual, acceptable to the Bank (the “Operational Manual”), which shall include, *inter alia*: (A) the procurement, financial management and disbursement requirements and procedures for the Project; (B) the indicators to be used for monitoring and evaluating the Project; (C) the functions, responsibilities, structure and key staff composition of the respective PIU, the Steering Committee and the Advisory Committee; (D) the policies and procedures for the coordination of the implementation, monitoring and evaluation of the Project; and (E) criteria and procedures governing the selection of Eligible Beneficiaries and the approval of Sub-projects, including the Excluded Activities.
- (ii) Except as the Bank shall otherwise agree, the Recipient shall not amend, abrogate, waive or fail to enforce the Operational Manual, or any provision thereof. In case of any conflict between the terms of this Agreement and those of the Operational Manual, the terms of this Agreement shall prevail.
- (g) Sub-projects. (i) Upon approval of a Sub-project and prior to the carrying out of said Sub-project, the Recipient, through MARN, shall enter into an agreement with the pertinent Eligible Beneficiary (the “Sub-project Agreement”) under terms and conditions satisfactory by the Bank, including, *inter alia*:
- (A) the obligation of the Recipient, through MARN to procure goods, works and services for the execution of the selected Sub-project, in accordance with the provisions of this Agreement and the Procurement Regulations; and
- (B) the obligation of each Eligible Beneficiary to:

- (1) carry out the pertinent Sub-project with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, environmental, social and cultural property practices, the provisions of the Anti-Corruption Guidelines, the Operational Manual, the ESCP and the environmental and social instruments referred to therein;
- (2) except as the Bank shall otherwise agree, provide a contribution of at least the percentage established in the Operational Manual (either through an in-kind contribution and/or the provision of labor, as the case may be), of the cost of the pertinent Sub-project, as well as facilities, services and other resources, necessary or appropriate to carry out the corresponding Sub-project;
- (3) enable the Recipient, through MARN, and the Bank to inspect the pertinent Sub-project, its operation and any relevant records and documents;
- (4) prepare and furnish to the Recipient, through MARN, and the Bank all such information as MARN or the Bank shall reasonably request relating to the foregoing;
- (5) take or permit to be taken all action to enable the Recipient, through MARN, to comply with its obligations referred to in this Agreement, as applicable to the carrying out of Sub-projects; and
- (6) except as the Recipient, through MARN, and the Bank shall otherwise agree, not to assign, amend, terminate, abrogate, repeal, waive or fail to enforce the Sub-project Agreement or any provision thereof.

(ii) The Recipient, through MARN, shall exercise its rights under each Sub-project Agreement in such manner as to protect the interests of the Recipient and the Bank and to accomplish the purposes of the Project. Except as the Bank shall otherwise agree, the Recipient, through MARN, shall not, amend, abrogate, terminate, repeal, waive or fail to enforce any Sub-project Agreement or any of its provisions.

2.04. Environmental and Social Standards.

- (a) The Recipient shall ensure that the Project is carried out in accordance with the Environmental and Social Standards, in a manner acceptable to the Bank.
- (b) Without limitation upon paragraph (a) above, the Recipient shall ensure that the Project is implemented in accordance with the Environmental and Social Commitment Plan (“ESCP”), in a manner acceptable to the Bank. To this end, the Recipient shall ensure that:

- (i) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, and provided in the ESCP;
 - (ii) sufficient funds are available to cover the costs of implementing the ESCP;
 - (iii) policies and procedures are maintained, and qualified and experienced staff in adequate numbers are retained to implement the ESCP, as provided in the ESCP; and
 - (iv) the ESCP, or any provision thereof, is not amended, repealed, suspended or waived, except as the Bank shall otherwise agree in writing, as specified in the ESCP, and ensure that the revised ESCP is disclosed promptly thereafter.
- (c) In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.
- (d) The Recipient shall ensure that:
- (i) all measures necessary are taken to collect, compile, and furnish to the Bank through regular reports, with the frequency specified in the ESCP, and promptly in a separate report or reports, if so requested by the Bank, information on the status of compliance with the ESCP and the environmental and social instruments referred to therein, all such reports in form and substance acceptable to the Bank, setting out, inter alia: (A) the status of implementation of the ESCP; (B) conditions, if any, which interfere or threaten to interfere with the implementation of the ESCP; and (C) corrective and preventive measures taken or required to be taken to address such conditions; and
 - (ii) the Bank is promptly notified of any incident or accident related to or having an impact on the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, in accordance with the ESCP, the environmental and social instruments referenced therein and the Environmental and Social Standards.
- (e) The Recipient shall establish, publicize, maintain and operate an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances of Project-affected people, and take all measures necessary and appropriate to resolve, or facilitate the resolution of, such concerns and grievances, in a manner acceptable to the Bank.
- (f) The Recipient shall ensure that all bidding documents and contracts for civil works under the Project include the obligation of contractors, and subcontractors and supervising entities to: (i) comply with the relevant aspects of ESCP and the environmental and social instruments referred to therein; and (ii) adopt and enforce codes of conduct that should be provided to and signed by all workers, detailing measures to address environmental, social, health and safety risks, and the risks of sexual exploitation and abuse, sexual harassment and violence against children, all as applicable to such civil works commissioned or carried out pursuant to said contracts.

2.05. **Project Monitoring, Reporting and Evaluation.** The Recipient shall ensure that each Project Report is furnished to the Bank not later than forty-five (45) days after each calendar semester, covering the calendar semester.

**Article III
Withdrawal of Grant Proceeds**

3.01. **Eligible Expenditures.** The Recipient may withdraw the proceeds of the Grant in accordance with the provisions of: (a) Article III of the Standard Conditions; and (b) this Section; to finance Eligible Expenditures in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table.

Category	Amount of the Grant Allocated (expressed in USD)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, works, non-consulting services, consulting services, Operating Costs and Training	4,063,927	100%
TOTAL AMOUNT	4,063,927	

3.02. **Withdrawal Conditions.** Notwithstanding the provisions of Section 3.01 of this Agreement, no withdrawal shall be made for payments made prior to the date of this Agreement.

3.03. **Withdrawal Period.** The Closing Date is September 30, 2026.

**Article IV
Additional Remedies**

4.01. **Additional Events of Suspension.** The Additional Events of Suspension referred to in Section 4.02 (k) of the Standard Conditions consist of the following:

- (a) The Endorsement Letter shall have been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely, in the reasonable opinion of the Bank, the ability of the Recipient to perform any of its obligations under this Agreement or under the Inter-institutional Agreement.
- (b) The MARN, MAG and MEPyD shall have failed to perform any of their obligations under the Inter-institutional Agreement.
- (c) The 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 Bank to suspend the Recipient's right to make

withdrawals from the Grant Account under the terms of this Agreement, if this Agreement had been effective on the date such event.

Article V Effectiveness; Termination

- 5.01. This Agreement shall not become effective until evidence satisfactory to the Bank has been furnished to the Bank that the conditions specified below have been satisfied.
- (a) The Inter-institutional Agreement referred to in Section 2.03(d) of this Annex has been executed by the parties thereto.
 - (b) That the Recipient has prepared and adopted the Operational Manual in a manner acceptable to the Bank.
 - (c) That the PIU has been established in a manner acceptable to the Bank and staffed with a Project Coordinator, in a manner acceptable to the Bank, with qualifications, terms of reference, and under terms and conditions acceptable to the Bank and as further described in the Operational Manual.
 - (d) That the Steering Committee has been established as provided under Section 2.03(b) of this Annex and in a manner satisfactory to the Bank.
 - (e) That a SNIP Code has been assigned to the Project.
- 5.02. By signing this Agreement, the Recipient shall be deemed to represent and warrant that this Agreement has been duly authorized by, and executed and delivered on behalf of, the Recipient and is legally binding upon the Recipient in accordance with its terms.
- 5.03. Except as the Recipient and the Bank shall otherwise agree, this Agreement shall enter into effect on the date upon which the 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 Bank to suspend the right of the Recipient to make withdrawals from the Grant Account if this Agreement had been effective, the 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 120 days after the countersignature of this Agreement, unless the Bank, after consideration of the reasons for the delay, establishes a later date for the purpose of this Section. The Bank shall promptly notify the Recipient of such later date.

Article VI Recipient's Representative; Addresses

- 6.01. **Recipient's Representative.** The Recipient's Representative referred to in Section 7.02 of the Standard Conditions is Minister of Economy, Planning and Development.

6.02. **Recipient's Address.** For purposes of Section 7.01 of the Standard Conditions: (a) the Recipient's Address is:

Av. México Esq. Dr. Delgado, Distrito Nacional
Santo Domingo,
Dominican Republic; and

(b) the Recipient's Electronic Address is:

Facsimile:	E-mail:
+1 809-688-7000	informacion@economia.gob.do

6.03. **Bank's Address.** For purposes of Section 7.01 of the Standard Conditions: (a) the Bank's address is:

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

(b) the Bank's Electronic Address is:

Telex:	Facsimile:	E-mail:
248423 (MCI) or 64145 (MCI)	1-202-477-6391	avalerio@worldbank.org

Michel Kerf
Country Director, Central America and the Dominican Republic
Latin America and the Caribbean Region

22-oct.-2021

His Excellency
Miguel Ceara Hatton
Minister of Economy, Planning and Development
Ministry of Economy, Planning and Development
Av. México Esq. Dr. Delgado, Distrito Nacional
Santo Domingo, Dominican Republic

Re: GEF Grant No. TF0B7197-DO (Integrated Landscape Management in Dominican Republic Watersheds Project) - Additional Instructions: Disbursement and Financial Information Letter

Excellency:

I refer to the Letter Agreement (“Agreement”) between the Dominican Republic (“Recipient”) and the International Bank for Reconstruction and Development (“World Bank”), acting as Implementing Agency of the Global Environment Facility (GEF), for the above-referenced Project. The Standard Conditions, as defined in the Letter Agreement, provide that the World Bank may issue additional instructions regarding the withdrawal of the proceeds of Grant TF0B7197-DO (“Grant”), and may set out Project specific financial reporting requirements. This letter (“Disbursement and Financial Information Letter”), as revised from time to time, constitutes such additional instructions.

I. Disbursement Arrangements and Withdrawal of Grant Funds

The *World Bank Disbursement Guidelines for Projects*, dated February 1, 2017, (“Disbursement Guidelines”) are available in the World Bank's public website at <https://www.worldbank.org>, and are an integral part of the Disbursement and Financial Information Letter. The manner in which the provisions in the Disbursement Guidelines apply to the Grant is specified below. Sections and subsections in parentheses below refer to the relevant sections and subsections in the Disbursement Guidelines and, unless otherwise defined in this letter, the capitalized terms used have the meanings ascribed to them in the Disbursement Guidelines.

(i) Disbursement Arrangements

The table in **Schedule 1** provides the disbursement methods which may be used by the Recipient, information on registration of authorized signatures, processing of withdrawal applications (including minimum value of applications and advances), instructions on supporting documentation, and frequency of reporting on the Designated Account.

(ii) Withdrawal of Grant Funds (Electronic Delivery) (*Section 7.01 (c) of the Standard Conditions*).

The Recipient will deliver Withdrawal Applications (with supporting documents) electronically through the Bank’s web-based portal “Client Connection” at <https://clientconnection.worldbank.org>. This option will be effected after the officials designated in writing by the Recipient who are authorized to sign

and deliver Withdrawal Applications have registered as users of "Client Connection". The designated officials will deliver Applications electronically by completing the Form 2380, which is accessible through "Client Connection". By signing the Authorized Signatory Letter, the Recipient confirms that it is authorizing such persons to accept Secure Identification Credentials (SIDC) and to deliver the Applications and supporting documents to the Bank by electronic means. The Recipient may exercise the option of preparing and delivering Withdrawal Applications in paper form on exceptional cases (including those where the Recipient encounters legal limitations), and which were previously agreed with the Bank. By designating officials to use SIDC and by choosing to deliver the Applications electronically, the Recipient confirms through the authorized signatory letter its agreement to: (a) abide by the Terms and Conditions of Use of Secure Identification Credentials in connection with Use of Electronic Means to Process Applications and Supporting Documentation, available in the World Bank's public website at <https://worldbank.org> and "Client Connection"; and (b) to cause such official to abide by those terms and conditions.

II. Financial Reports and Audits *(Section 2.07 (a) and (b) of the Standard Conditions).*

(i) Financial Reports. The Recipient must prepare and furnish to the World Bank not later than forty-five (45) days after the end of each calendar semester, interim unaudited financial reports ("IFR") for the Project covering the semester.

(ii) Audits. Each audit of the Financial Statements must cover the period of one fiscal year of the Recipient, commencing with the fiscal year in which the first withdrawal was made. The audited Financial Statements for each such period must be furnished to the World Bank not later than four (4) months after the end of such period.

III. Other Important Information

For additional information on disbursement arrangements, please refer to the Loan Handbook available on the World Bank's website (<http://www.worldbank.org>) and "Client Connection". The World Bank recommends that you register as a user of "Client Connection". From this website you will be able to prepare and deliver Applications, monitor the near real-time status of the Grant, and retrieve related policy, financial, and procurement information. For more information about the website and registration arrangements, or if you have any queries in relation to the above, please contact the World Bank by email at AskLoans@WorldBank.org using the above reference.

Yours sincerely,



Michel Kerf
Country Director
Central America and the Dominican Republic
Latin America and the Caribbean Region

Attachments

1. Form of Authorized Signatory Letter
2. Statement of Expenditure (SOE)
3. Sample Designated Account Activity Statement

Schedule 1 - Disbursement Provisions

Basic Information			
Grant Number	Country	Dominican Republic	Section 3.03 of Article III to the Letter Agreement
	Recipient	Dominican Republic	
TF0B7197-DO	Name of the Project	Integrated Landscape Management in Dominican Republic Watersheds Project	Closing Date
			Disbursement Deadline Date <i>Subsection 3.7 **</i>
Disbursement Methods and Supporting Documentation			
Disbursement Methods <i>Section 2 (**)</i>	Methods Available	Supporting Documentation <i>Subsections 4.3 and 4.4 (**)</i>	
Direct Payment	Yes	<ul style="list-style-type: none"> • Copy of Records 	
Reimbursement	Yes	<ul style="list-style-type: none"> • Statement of Expenditure, in the format provided in Attachment 2 of this letter. 	
Advance (Designated Account)	Yes	<ul style="list-style-type: none"> • Statement of Expenditure, in the format provided in Attachment 2 of this letter. • Designated Account Activity Statement, in the format provided in Attachment 3 of this letter, with a copy of the bank statement. 	
Special Commitments	No	Not Applicable	
Designated Account (Sections 5 and 6 **)			
Type	Segregated	Ceiling	Fixed
Financial Institution - Name	Central Bank of the Dominican Republic	Currency	USD
Frequency of Reporting, Subsection 6.3 (**)	Quarterly	Amount	300,000.00
Minimum Value of Applications (Subsection 3.5 **)			
The Minimum Value of Applications for Reimbursement and Direct Payment is USD 100,000.00 equivalent.			
Authorized Signatures (Subsection 3.1 and 3.2 **)			
Withdrawal and Documentation Applications (Subsection 3.3 and 3.4 **)			
Authorized Signatures: A letter in the format provided in Attachment 1 should be furnished to the World Bank at the address indicated below providing the name(s) and specimen signature(s) of the official(s) authorized to sign Applications:			
The World Bank 1818 H Street, N.W. Washington, DC 20433, USA			

Attention: Michel Kerf, Country Director

Applications: Completed Applications for withdrawal, together with supporting documents, should be provided through the World Bank's Client Connection, web-based portal, following the instructions for electronic delivery. In the case the Recipient does not have internet access, the World Bank may permit the delivery of Applications for withdrawal, together with supporting documents, to the following address:

Banco Mundial
SCN Quadra 02, Lote A
Ed. Corporate Financial Center, 7º andar
70712-900, Brasília, D.F. – Brazil
Attention: Loan Operations

Additional Instructions

Designated Account will be in the Borrower's Single Treasure Account (*Cuenta Única del Tesoro*). The records and bank reconciliation will reflect transaction activity of a segregated sub-account.

** Sections and subsections relate to the "Disbursement Guidelines for Investment Project Financing", dated February 2017.