Global Environment Facility
Grant Agreement

(WEST AFRICA REGIONAL FISHERIES PROGRAM (Phase I))

between

REPUBLIC OF CAPE VERDE

and

INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT

acting as an Implementing Agency of the Global Environment Facility

Dated December 2, 2009
GLOBAL ENVIRONMENT FACILITY GRANT AGREEMENT

AGREEMENT dated December 2, 2009, entered into between:

REPUBLIC OF CAPE VERDE ("Recipient"); and

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

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 July 1, 2008 ("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 the Financing Agreement ("IDA Financing Agreement") of the same date between the Recipient and IDA in support of the West Africa Regional Fisheries Program (Phase I).

Article II
The Project

2.01. The Recipient declares its commitment to the objectives of the project described in Schedule 1 to the IDA Financing Agreement ("Project"). To this end, the Recipient shall carry out the Project or cause the Project to be carried out 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 the IDA Financing Agreement and Schedule to this Agreement.
Article III
The Grant

3.01. The World Bank agrees to extend to the Recipient, on the terms and conditions
set forth or referred to in this Agreement, a grant in an amount equal to two
million Dollars ($2,000,000) ("Grant") to assist in financing the Project.

3.02. The Recipient may withdraw the proceeds of the Grant in accordance with
Section II of the Schedule to this Agreement.

Article IV
Additional Remedies

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

(a) The World Bank has determined after the Effective Date referred to in
Section 5.02 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.

(b) The World Bank has suspended the IDA Financing 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, namely that the IDA 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 of this Agreement ("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 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 the Recipient’s Minister of Finance.

6.02. The Recipient’s Address is:

Ministry of Finance and Public Administration
C.P. 30
Praia
Cabo Verde

Cable:     Telex:     Facsimile:
COORDENACAO     608 MCECV     (238) 61 38 976.03

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

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

Cable:     Telex:     Facsimile:
INTBAFRAD     248423 (MCI) or 1-202-477-6391
Washington, D.C.     64145 (MCI)
AGreed in the District of Columbia, United States of America, as of the day
and year first above written.

REPUBLIC OF CAPE VERDE

By: /s/ Fatima Veiga
    Authorized Representative

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

By: /s/ McDonald Benjamin
    Authorized Representative
SCHEDULE
Project Execution

Section I. General

A. Sections I, (excluding Part B thereof), II, III and V of Schedule 2 to the IDA Financing Agreement, with the modifications set forth below, are hereby incorporated by reference and form an integral part of this Agreement. The following terms, wherever they appear in said Sections, shall be read as follows:

(a) “Association” shall be read as World Bank;

(b) “Financing” shall be read as the Grant; and

(c) “Recipient” shall be read as the Recipient of the Grant.

B. So long as any part of the Credit provided for under the IDA Financing Agreement shall remain outstanding, and unless the Recipient has been notified otherwise by the World Bank:

(a) all actions taken, including approvals given, by the Association pursuant to Sections I (excluding Part B thereof), II, III and V of Schedule 2 to the IDA Financing Agreement shall be deemed to be taken or given in the name and on behalf of both the Association and the World Bank; and

(b) any information or documentation furnished by the Recipient to the Association pursuant to the provisions of any of such Sections of the IDA Financing Agreement shall be deemed to be furnished to both the Association and World Bank.

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:

<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, Training and services under Parts A.1(a) through (d) and A.2 of the Project</td>
<td>1,600,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Services (including audits) under Part D.1 of the Project</td>
<td>400,000</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>2,000,000</td>
<td></td>
</tr>
</tbody>
</table>

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 December 15, 2014.