AGREED MINUTES OF NEGOTIATIONS
BETWEEN
THE GOVERNMENT OF INDIA
AND
THE INTERNATIONAL BANK FOR RECONSTRUCTION AND
DEVELOPMENT (IBRD)
REGARDING
PROPOSED BIODIVERSITY CONSERVATION AND RURAL LIVELIHOODS
IMPROVEMENT PROJECT

1. Negotiations for a Credit from the International Development Association (IDA) in the amount of SDR 9.8 million (US$15.36 million equivalent) and proposed Grant from the Global Environment Facility Trust Fund in the amount of US$8.14 million amount for the proposed Biodiversity Conservation and Rural Livelihoods Improvement Project (the Project) were held in New Delhi, on March 22-23, 2011. Representatives of the Government of India (GoI) (hereinafter referred to as the “Indian delegation”) and of IBRD (hereinafter referred to as “the Bank Team”), participated in the aforementioned negotiations. A list of participants is provided in Attachment 1 to these minutes of negotiations (the Minutes).

2. The Indian Delegation and the Bank Team reviewed the text of the draft Grant Agreement (the GA) (Attachment 2) and the draft Financing Agreement (FA) (Attachment 3) both between India (the Borrower/Recipient) and IDA; and agreed on the revised drafts of the Project Appraisal Document (PAD), Disbursement Letter, GA and FA dated February 23, 2011. The Minutes are not a complete record of the negotiations, but are intended to record and clarify understandings reached during negotiations between the parties.

Grant Agreement

3. The parties reviewed and agreed upon the final text of the attached GA dated March 22, 2011.

Financing Agreement

4. The parties reviewed and agreed upon the final text of the attached FA dated March 22, 2011. In addition, the following matters arising in connection with the draft FA were discussed and understanding reached as provided in No. 5 and 6 below:

5. Section 2.04 and 2.05: The Bank Team informed the Recipient’s delegation that starting in IDA16, IDA’s blend credits and hardened term credits would be harmonized into one instrument with a final credit maturity of 25 years with a 5-year grace period, and instituting a 1.25 percent per annum interest rate, in addition to 0.75 percent per annum service fee. The Recipient’s delegation
indicated that GOI had not received official notification regarding IDA 16 terms from the Bank. The Bank’s delegation agreed these provisions would be confirmed in accordance with the Bank official notification regarding IDA 16 terms that GOI will receive.

6. **Section 2.03:** The Bank team explained that Section 2.03 provides for a Maximum Commitment Charge of one half of one percent (0.50%) per annum charged on the undisbursed amount. At the end of each of IDA’s fiscal years, as part of its review of the World Bank Group’s net income, the IDA Board of Executive Directors (the “Board”) decides on the commitment charge rate to be applied for the upcoming fiscal year, always within the agreed cap fixed in the aforementioned Section. Currently, the commitment charge for IDA Credit for FY11 is zero percent. This Commitment Charge is applied to all IDA credits globally.

7. **Procurement Guidelines:** The Indian Delegation requested IBRD on Feb 21, 2011 to grant them authorization to apply the recently approved Procurement and Consultant Guidelines released in January 2011 for this project. The Bank team agreed to this request and incorporated the same in the PAD, the GA, and the FA.

8. **Part 3 of Schedule 1 of FA and GA:** The Indian Delegation and the Bank team reviewed and agreed that additional landscape sites will be identified and agreed with the Association. Disbursements for such landscapes would only be made after completion of all required fiduciary and safeguard assessments in a manner satisfactory to the Association.

9. **Schedule 3, Repayment Schedule:** The parties reviewed and agreed the schedule based on a final credit maturity of 25 years with a 5-year grace period. The payment dates may be revised if the planned Board date is changed.

**Disbursement Letter**

The parties agreed on the text of the draft Disbursement Letter to be issued by the Bank at the time of the PA and I.A signing. This letter is included under Attachment 6.

**Project Appraisal Document**

10. The Project Appraisal Document (PAD) was reviewed and updated to take into account the comments by the Indian Delegation. The Indian Delegation confirmed that, subject to the modifications, the PAD can be made available to the public, once the Bank’s Board of Directors has approved the Loan. The PAD is included under Attachment 7.

11. With respect to auditing arrangements, it was discussed and agreed that:

(a) In case of MOEF and WII, the audit would be carried out by the field offices of the Comptroller and Auditor General of India in accordance with the agreed terms of reference;
(b) In case of KMTR Society, Askot Society, LRK Society, PTR Society and GIR society, the audit of the financial statements would be carried out by a CA firm appointed by MOEF as per the agreed terms of reference;

(c) The CAG would issue a consolidated audit report for the project based on the above reports after following required internal procedures.

12. Disclosure of Information: Pursuant to IBRD's policy on Access to Information, IBRD will disclose the PAD, the GA and FA and other information related to said documents, including any supplemental letters, with the exceptions listed in the Access to Information Policy. The Indian Delegation confirmed that IBRD may publicly release said documentation only after approval of the loan by the Bank's Board of Executive Directors.

Board Presentation

13. The Bank Team informed the Delegation that the Credit and Grant are expected to be presented for the World Bank Board consideration on July 07, 2011.

On Behalf of the Government of India: 

Mr. Sanjeev Kaushik
Director
Department of Economic Affairs
Ministry of Finance
Government of India

[Signature]

On Behalf of the International Bank for Reconstruction and Development

Mr. Malcolm Jansen
Task Team Leader
Sustainable Development Department
South Asia Region
The World Bank

[Signature]

Mr. Hem Pande
Joint Secretary, Ministry of Environment & Forests
Government of India
New Delhi, India
March 22, 2011

[Signature]
# List of Participants in the Negotiations

## Members of the Indian Delegation

<table>
<thead>
<tr>
<th>No.</th>
<th>Name</th>
<th>Position</th>
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<tbody>
<tr>
<td>1.</td>
<td>Mr Hem Pande</td>
<td>Joint Secretary, MOEF, Government of India</td>
</tr>
<tr>
<td>2.</td>
<td>Mr Sanjeev Kaushik</td>
<td>Director, DEA, Ministry of Finance, Government of India</td>
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<tr>
<td>3.</td>
<td>Mr Jitender Malik</td>
<td>Under Secretary, DEA, Ministry of Finance, Government of India</td>
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<td>4.</td>
<td>Dr Tashi Wangdi</td>
<td>Additional Director, MOEF, Government of India</td>
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<tr>
<td>5.</td>
<td>Mr Gaurav Joshi</td>
<td>Finance Officer, MOEF, Government of India</td>
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<tr>
<td>6.</td>
<td>Mr Harman Singh</td>
<td>Procurement Assistant, MOEF, Government of India</td>
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<td>7.</td>
<td>Mr Sundara Raju</td>
<td>PCCF &amp; CWLW, Department of Forest, Government of Tamil Nadu</td>
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<td>8.</td>
<td>Mr R L Meena</td>
<td>CCF, Wildlife, Department of Forest, Government of Gujarat</td>
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<td>9.</td>
<td>Mr D T G Sambandam</td>
<td>DFO, Pithoragarh Forest Division, Government of Uttarakhand</td>
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<td>10.</td>
<td>Mr Winston Suting</td>
<td>CCF, Department of Forest, Government of Kerala</td>
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<tr>
<td>11.</td>
<td>Dr V K Melkani</td>
<td>Professor &amp; Head LLPM Department, Wildlife Institute of India</td>
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## Members of the Bank Team

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<thead>
<tr>
<th>No.</th>
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<tbody>
<tr>
<td>12.</td>
<td>Mr Malcolm Jansen</td>
<td>Task Team Leader, The World Bank</td>
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<td>13.</td>
<td>Dr Anupam Joshi</td>
<td>Environment Specialist, The World Bank</td>
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<tr>
<td>14.</td>
<td>Mr Varun Singh</td>
<td>Social Development Specialist, The World Bank</td>
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<td>15.</td>
<td>Mr Juan Carlos Alvarez</td>
<td>Senior Counsel, The World Bank</td>
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<td>16.</td>
<td>Mr Nagaraju Duthaluri</td>
<td>Senior Procurement Specialist, The World Bank</td>
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<td>17.</td>
<td>Mr S Krishnamurthy</td>
<td>Financial Management Specialist, The World Bank</td>
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<tr>
<td>18.</td>
<td>Mr Hubert Nove-Josserand</td>
<td>Operations Advisor, The World Bank</td>
</tr>
<tr>
<td>19.</td>
<td>Ms Genevieve Dutta</td>
<td>Program Assistant, The World Bank</td>
</tr>
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ADDENDUM TO THE AGREED MINUTES OF NEGOTIATIONS BETWEEN
THE GOVERNMENT OF INDIA AND
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and Rural Livelihoods Improvement Project (the Project) were held in New Delhi, on March 22-23, 2011.
Representatives of the Government of India (GoI) (hereinafter referred to as the “Indian delegation”) and
of IBRD (hereinafter referred to as “the Bank Team”), participated in the aforementioned negotiations.

2. After negotiations were concluded the Indian Delegation and the Bank Team agreed to process
the Project under IDA15’s recently available funds. Therefore, paragraph 5 and paragraph 9 of the above
referenced Minutes of Negotiations are no longer relevant.

3. The agreed/negotiated Financing Agreement dated March 22, attached to the above referenced
Minutes, has been revised accordingly to reflect IDA15 financial terms. Consequently, Section 2.05 (on
interest) is hereby deleted, remaining sections of Article II renumbered and Schedule 3 (Repayment
Schedule) replaced.

4. The final/agreed text of the revised Financing Agreement dated April 8, 2010 is attached to this
Addendum to the Minutes of Negotiation.

5. The Bank Team informed the Indian Delegation that the PAD and all other Project related
documentation will be revised accordingly in preparation for submission to the World Bank Board’s
consideration on May 5, 2011.

On Behalf of the Government of India:

[Signature]
Mrs. Kavita Prasad
Director (MI)
Department of Economic Affairs
Ministry of Finance
Government of India

On Behalf of the International Bank
for Reconstruction and Development

[Signature]
Mr. Anupam Joshi
Co-Task Team Leader
Sustainable Development Department
South Asia Region
The World Bank

[Signature]
Mr. Hem Pande
Joint Secretary, Ministry of Environment &
Forests
Government of India