December 18, 2014

Mr. Yang Shaolin
Director General
International Economic
and Financial Cooperation Department
Ministry of Finance
Beijing, China

Re: GEF City Cluster Eco-Transport Project (GEF TF099421)
Amendment to the GEF Grant Agreement

Dear Mr. Yang:

We refer to the Grant Agreement between the People’s Republic of China (the “Recipient”) and the International Bank for Reconstruction and Development (the “World Bank”), acting as an implementing agency of the Global Environment Facility (“GEF”), dated May 18, 2012 (the “Grant Agreement”) for the above-referenced project (the “Project”). We also refer to the letter from Mr. Guo Wensong, GEF Operational Focal Point for China, International Department, Ministry of Finance dated Oct 10, 2014, requesting an amendment to the Grant Agreement.

I am pleased to inform you that after due consideration, the World Bank has agreed with the request and hereby proposes to amend the Grant Agreement as follows:

1. Parts A and B of the Project Description in Schedule I are amended to read as follows:

“Part A: City Cluster Eco-Transport Development Strategic Planning:

1. Provision of technical assistance for policy analysis of emerging issues in transport development of city clusters and for developing integrated transport development strategies for city clusters; and provision of technical assistance for developing technical guidelines for city cluster integrated transport planning, including guidelines for Strategic Environment Assessment (SEA).

2. Provision of technical advisory services for the establishment of an monitoring and evaluation system to measure and monitor transport energy consumption and CO₂ emissions in city clusters.
Part B: Pilot Demonstration in Chinese City Clusters:

1. Provision of technical assistance for transport integration planning and implementation plan in CZT City Cluster, including the SEA at the planning level.

2. Provision of technical assistance for transport integration planning for ChengYu City Cluster.

3. Provision of technical assistance for transport integration planning for JingJinJi City Cluster.

4. Provision of technical assistance for (i) design of integrated multi-modal transport terminals in CZT City Cluster, including two to be constructed under Part B.5 of the Project below, and (ii) design and supervision of customer satisfaction survey.

5. Construction of two multi-modal passenger terminals for pilot demonstration, including: (i) Lituo Terminal, to become an integral part of the Southern Changsha High Speed Rail Line Station cum Bus and Urban Rail Terminal Complex located at Lituo; and (ii) the Western Changsha Terminal.

2. Section I.A.2 of Schedule 2 is amended to read as follows:

"The Recipient shall maintain a Project Steering Committee consisting of senior officials from MOT, MOF, HDOT, CZT, SDOT, CCOT, CQCOT, BCOT, TCOT and HBDOT, to provide overall guidance and oversight to the Project."

3. Section II.A.1 of Schedule 2 is amended to read as follows:

"The Recipient shall cause MOT to 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 sets forth in the Results Framework. Each Project Report shall cover the period of one (1) calendar semester, and shall be furnished to the World Bank by March 31 and September 30 each year, starting September 30, 2012."

4. The Closing Date in Section IV.B.2 of Schedule 2 is extended to June 30, 2016.

5. The Annex to Schedule 2 is deleted in its entirety.

6. The Appendix is amended to read as set out in the Attachment to this letter.

Except as specifically amended by this amendment letter, all other provisions of the Grant Agreement shall remain in full force and effect.
Please confirm your agreement to the amendments set out above by having an authorized representative of the Recipient sign and date the form of confirmation on the enclosed duplicate original of this letter and returning it to us for our files. Upon receipt of the copy of this letter countersigned on behalf of the Recipient, this amendment letter shall become effective as of the date of the countersignature.

Yours sincerely,

Bert Hofman  
Country Director, China

Confirmed and agreed:  
PEOPLE'S REPUBLIC OF CHINA

Signature:  
Name: Yang Shaolin  
Title: Director General, International Economic and Financial Cooperation Department, Ministry of Finance.

Date: Feb 25, 2015
Copy to:

Mr. Guo Wensong, Director
Ms. Tian Min, Deputy Director
IFI Division III, International Department
Ministry of Finance
Email: guo.wensong@gmail.com, liruimof@139.com

Mr. Li Junyuan, Director
Mr. Feng Baoshan, Director
Foreign Loans Division
National Development & Reform Commission
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Mr. Fan Zhenyu, Director
Comprehensive Planning Department
Ministry of Transport
Fax: 010-6529-3175

Ms. Xia Hong, Director
Project Management Office
Comprehensive Transport Planning Department
Ministry of Transport
Fax: 010-6529-9094
APPENDIX

Definitions


2. “BCOT” means the Beijing Municipal Commission of Transport in the territory of the Recipient, or any successor(s) thereto.

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

4. “CCOT” means the Chengdu Municipal Commission of Transport in the Recipient’s Sichuan Province, or any successor(s) thereto.

5. “ChengYu” means, collectively, the cities of Chengdu and Chongqing in the territory of the Recipient.

6. “City Cluster” means a group of contiguous cities, and taken as a whole for urbanization and development purposes.

7. “Communications” means for purposes of Section IV of Schedule 2 to this Agreement, the reasonable costs related to public consultation, dissemination, knowledge sharing, Project promotion, and Project evaluation.


9. “CQCOT” means the Chongqing Municipal Commission of Transport in the territory of the Recipient, or any successor(s) thereto.

10. “CZT” means, collectively, the cities of Changsha, Zhuzhou, and Xiangtan, in Hunan (as hereinafter defined).

11. “Displaced Persons” means persons who, on account of the execution of the Project, have experienced or would experience direct economic and social impacts caused by: (a) the involuntary taking of land, resulting in: (i) relocation or loss of shelter; (ii) loss of assets or access to assets; or (iii) loss of income sources or means of livelihood, whether or not such persons must move to another location; or (b) the involuntary restriction of access to legally designated parks and protected areas, resulting in adverse impacts on the livelihood of such persons; and a “Displaced Person” means any of such Displaced Persons.

12. “Environmental Management Plan” or the acronym “EMP” means a specific environmental management plan prepared by the Recipient, such plan to set out the environmental protection measures in respect of the activity under the Project, as well as administrative and monitoring arrangements to ensure the implementation of said plan, as said plan may be revised from time to time with the agreement of the World Bank.
13. "Financial Management Manual" means the manual dated March 31, 2011, and referred to in Section I, paragraph B.2 of Schedule 2 to this Agreement, which sets forth detailed guidelines on financial management including internal controls, accounting procedures, funds flow arrangements, fund and asset management, withdrawal application procedures, and financial reporting and auditing arrangements, as said Financial Management Manual may be revised from time to time with the prior written agreement of the World Bank.

14. "HBDOT" means the Hebei Provincial Department of Transport in the Recipient’s Hebei Province, or any successor(s) thereto.

15. "HDOT" means the Hunan Provincial Department of Transport, or any successor(s) thereto.

16. “Hunan” means the Recipient’s Hunan Province.

17. “Implementation Agreement” means the agreement referred to in Section I.B.1 of Schedule 2 to this Agreement to be entered into between MOT and HDOT and the municipal governments of CZT, as the same may be amended from time to time with the prior written agreement of the World Bank.

18. “Incremental Operating Costs” means the reasonable expenditures directly related to the Project incurred by the PMO, on accounting of Project implementation, management, coordination, and monitoring and evaluation, in respect of travel costs, communications costs, translation services, production and reproduction of documents required for Project implementation, including training materials, but excluding the salaries and salary supplements of the Recipient’s civil servants.

19. “JingJinJi” means, collectively, the cities of Beijing, Tianjin and Hebei in the territory of the Recipient.

20. “MOF” means the Recipient’s Ministry of Finance, or any successor thereto.


23. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated April 6, 2011, and referred to in paragraph 1.16 of the Procurement Guidelines and paragraph 1.24 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.

24. “Project Management Office” or “PMO” means the project management office referred to in Section I, paragraph A.1 of Schedule 2 to this Agreement.

25. “Project Steering Committee” means the Project Steering Committee referred to in Section I, paragraph A.2 of Schedule 2 to this Agreement.

26. “Resettlement Action Plan” and the acronym “RAP” mean the Recipient’s Resettlement Action Plan dated March 29, 2011 and disclosed on April 6, 2011, for carrying out activities under Part B.5 of the Project, and which sets out the principles and procedures governing the acquisition of
land and other assets, and the resettlement, compensation and rehabilitation of Displaced Persons on account of the implementation of the Project, as well as monitoring and reporting arrangements to ensure compliance with said plans, as the same may be revised from time to time with the prior agreement of the World Bank.

27. “Results Framework” means the framework, dated May 18, 2012 and amended on December 18, 2014, and agreed with the World Bank, setting forth the indicators and targets for purposes of monitoring and evaluation of the progress of the Project, as the same may be modified from time to time with the prior written agreement of the World Bank.

28. “SDOT” means the Sichuan Department of Transport in the Recipient’s Sichuan Province, or any successor(s) thereto.

29. “TCOT” means the Tianjin Municipal Commission of Transport in the territory of the Recipient, or any successor(s) thereto.

30. “Training and Workshops” means for purposes of Section IV of Schedule 2 to this Agreement, the reasonable cost of domestic and international travel, lodging and per diem for trainees attending training, workshops and seminars and the cost of delivering training (excluding consultant fees) such as rental of training space and training equipment and other logistical costs.
Annex 2: Proposed Results Framework and Monitoring

CHINA: GEF City Cluster Eco-Transport Project

Project Development Objective (PDO): To assist the Government of China in enhancing transport efficiency, energy saving and CO₂ emission reduction, by promoting and demonstrating multi-modal transport integration in city clusters.

<table>
<thead>
<tr>
<th>PDO Level Results Indicators*</th>
<th>Core</th>
<th>Unit of Measure</th>
<th>Baseline</th>
<th>Cumulative Target Values**</th>
<th>Frequency</th>
<th>Data Source/Methodology</th>
<th>Responsibility for Data Collection</th>
<th>Description (indicator definition etc.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indicator Two: Annual transport CO₂ emissions of local trips via the two project terminals at least 5% lower than BAU scenario</td>
<td>☐</td>
<td>percentage</td>
<td>0 (BAU: 67,483 tons)</td>
<td>5% (against BAU 76,027 tons in Yr 4)</td>
<td>YR 3</td>
<td>Project M&amp;E reported in Project Progress Report</td>
<td>MOT/PMO</td>
<td></td>
</tr>
<tr>
<td>Indicator Three: Level of passenger satisfaction for the use of multi-modal terminals for pilot demonstration reported as higher than similar facilities around the country</td>
<td>☐</td>
<td>Satisfaction rating scale from 0 to 5</td>
<td>To be available in early 2015</td>
<td></td>
<td>Annually after the terminals become functional</td>
<td>Project M&amp;E and Customer Satisfaction Surveys</td>
<td>MOT/PMO</td>
<td>Baseline will be established upon the opening of project terminals</td>
</tr>
</tbody>
</table>

INTERMEDIATE RESULTS

Intermediate Result (Component One): City Cluster Eco-Transport Development Strategic Planning

| Intermediate Result indicator One: Eco-transport development strategies for city clusters proposed | ☐    | Technical reports | Not yet available | Preparation Preparation Preparation Completion | Annually | Project Progress Report | MOT/PMO | |
| Intermediate Result indicator Three: M&E methodologies established and used for measuring energy savings and CO₂ emission reduction | ☐    | Technical document | Not yet available | Preparation Preparation Preparation Completion | Annually | Project Progress Report | MOT/PMO | |
### Intermediate Result (Component Two): Pilot Demonstration in China City Clusters

<table>
<thead>
<tr>
<th>Intermediate Result indicator One: CZT Comprehensive Transport Integration Implementation Plan prepared</th>
<th>Planning documents</th>
<th>A sketchy plan available</th>
<th>Update and Preparation</th>
<th>Update and preparation</th>
<th>Update and preparation</th>
<th>Completion</th>
<th>Annually</th>
<th>Project Progress Report</th>
<th>MOT/PMO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intermediate Result indicator Two: Two multi-modal passenger terminals completed as technical specifications</td>
<td>Terminal buildings and facilities</td>
<td>Not yet built</td>
<td>Construction</td>
<td>Construction</td>
<td>Completion and demonstration</td>
<td>Annually</td>
<td>Project Progress Report</td>
<td>MOT/PMO</td>
<td></td>
</tr>
<tr>
<td>Intermediate Result indicator Three: Chengdu-Chongqing (ChengYu) City Cluster Integrated Transport Plan prepared</td>
<td>Planning documents</td>
<td>Not yet available</td>
<td>Preparation</td>
<td>Completion</td>
<td>Annually</td>
<td>Project Progress Report</td>
<td>MOT/PMO</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intermediate Result indicator Four: Beijing-Tianjin-Hebei (JingJinJi) City Cluster Transport Integration Plan prepared</td>
<td>Planning documents</td>
<td>Not yet available</td>
<td>Preparation</td>
<td>Completion</td>
<td>Annually</td>
<td>Project Progress Report</td>
<td>MOT/PMO</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Intermediate Result (Component Three): Capacity Building

<table>
<thead>
<tr>
<th>Intermediate Result indicator One: A website for city cluster eco-transport development and demonstration established and functioning</th>
<th>Number of website</th>
<th>Not yet created</th>
<th>Design and development</th>
<th>Roll-out</th>
<th>Functional</th>
<th>Annually</th>
<th>Project Progress Report</th>
<th>MOT/PMO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intermediate Result indicator Two: At least 5 national workshops for eco-transport knowledge exchange and experience dissemination held</td>
<td>Number of workshops held</td>
<td>None</td>
<td>2</td>
<td>4</td>
<td>5</td>
<td>5</td>
<td>Annually</td>
<td>Project Progress Report</td>
</tr>
<tr>
<td>Intermediate Result indicator Two: At least 150 central and local government officials, planners and designers trained for integrated transport policy, planning and design</td>
<td>Number of people trained</td>
<td>None</td>
<td>160</td>
<td>332</td>
<td>400</td>
<td>450</td>
<td>Annually</td>
<td>Project Progress Report</td>
</tr>
</tbody>
</table>