Program Agreement

(Priority Skills For Growth Program)

between

INTERNATIONAL DEVELOPMENT ASSOCIATION

and

CAPACITY DEVELOPMENT AND EMPLOYMENT SERVICES BOARD

Dated July 17, 2017
CREDIT NUMBER 6119-RW

PROGRAM AGREEMENT

AGREEMENT dated ________________, 2017, entered into between INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association") and CAPACITY DEVELOPMENT AND EMPLOYMENT SERVICES BOARD ("CESB") ("Program Agreement") in connection with the Financing Agreement ("Financing Agreement") of same date between Republic of Rwanda ("Recipient") and the Association. The Association and the CESB hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

1.01. The General Conditions (as defined in the Appendix to the Financing Agreement) 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 Financing Agreement or the General Conditions.

ARTICLE II — PROGRAM

2.01. The CESB declares its commitment to the objectives of the Program. To this end, the CESB shall carry out Parts 1 and 4 of the Program in accordance with the provisions of Article IV of the General Conditions, and shall provide promptly as needed, the funds, facilities, services and other resources required for its Respective Part of the Program.

2.02. Without limitation upon the provisions of Section 2.01 of this Agreement, and except as the Association and the CESB shall otherwise agree, the CESB shall carry out its Respective Part of the Program in accordance with the provisions of the Schedule to this Agreement.

ARTICLE III — REPRESENTATIVE; ADDRESSES

3.01. The CESB’s Representative is its Director-General.

3.02. The Association’s Address is:

International Development Association
1818 H Street, N.W.
Washington, D.C. 20433
United States of America
Telex: 248423 (MCI)  
Facsimile: 1-202-477-6391

3.03. The CESB's Address is:
Capacity Development and Employment Services Board (CESB)  
P.O. Box 7367  
Kigali, Rwanda

AGREED at Kigali, Rwanda, as of the day and year first above written.

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

[Signature]  
Authorized Representative

Name: Yasser El Samahy  
Title: Country Manager

CAPACITY DEVELOPMENT AND EMPLOYMENT SERVICES BOARD

By

[Signature]  
Authorized Representative

Name: Mutomo Andonci  
Title:  

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SCHEDULE
Program Execution

Section I. Implementation Arrangements

A. Program Fiduciary, Environmental and Social Systems

Without limitation on the provisions of Article IV of the General Conditions, the CESB shall carry out its Respective Part of the Program in accordance with financial management, procurement and environmental and social management systems acceptable to the Association ("Program Fiduciary, Environmental and Social Systems") which are designed to ensure that:

1. the Financing proceeds for the CESB’s Respective Part of the Program are used for their intended purposes, with due attention to the principles of economy, efficiency, effectiveness, transparency, and accountability; and

2. the actual and potential adverse environmental and social impacts of the CESB’s Respective Part of the Program are identified, avoided, minimized, or mitigated, as the case may be, all through an informed decision-making process.

B. Anti-Corruption

Without limitation upon the provisions of Part A of this Section, the CESB shall carry out its Respective Part of the Program in accordance with the provisions of the Anti-Corruption Guidelines.

C. Other Program Institutional and Implementation Arrangements

1. Program Institutions

Without limitation on the generality of Part A of this Section I, the CESB shall maintain, throughout the implementation of the Program, an implementation unit for the Program ("CESB-SPIU"), with powers, functions, resources and staffing, acceptable to the Association and with resources adequate to fulfill its Respective Part of the Program, as further detailed in the Program Operational Manual.

2. Program Operational Manual

Without limitation on the generality of Part A of this Section I, CESB shall carry out its Respective Part of the Program, in accordance with the Program Operational Manual.
3. **Program Action Plan**

(a) Without limitation on the generality of Part A of this Section I, CESB shall carry out the Program Action Plan, in accordance with the schedule set out in the said Program Action Plan in a manner satisfactory to the Association, and shall not amend, abrogate or suspend any provision of the Program Action Plan without the prior written agreement of the Association.

(b) Notwithstanding the foregoing, if any provision of any of said Program Action Plan is inconsistent with the provisions of this Agreement, the provisions of this Agreement shall prevail.

**Section II. Excluded Activities**

The CESB shall ensure that its Respective Part of the Program shall exclude any activities which:

A. in the opinion of the Association, are likely to have significant adverse impacts that are sensitive, diverse, or unprecedented on the environment and/or affected people; or

B. involve the procurement of: (1) works, estimated to cost US$115 million equivalent or more per contract; (2) goods, estimated to cost US$75 million equivalent or more per contract; (3) non-consulting services, estimated to cost US$75 million equivalent or more per contract; (4) consulting services, estimated to cost US$30 million equivalent or more per contract; or (5) information technology system estimated to cost US$60 million equivalent or more per contract.

**Section III. Program Monitoring, Reporting and Evaluation; Audits**

**A. Program Reports**

The CESB shall monitor and evaluate the progress of its Respective Part of the Program and prepare Program Reports for its Respective Part of the Program in accordance with the provisions of Section 4.08 of the General Conditions. Unless otherwise agreed by the Association, each Program Report shall cover the period of one calendar semester, and shall be furnished to the Recipient not later than forty (40) days after the end of the period covered by such report for incorporation and forwarding by the Recipient to the Association of the overall Program Report.
B. Program Financial Audits

1. Without limitation on the generality of Section I.A of this Schedule and Section 5.09 of the General Conditions, the CESB shall have the Financial Statements audited in accordance with the provisions of Section 4.09 (b) of the General Conditions. Each audit of the Financial Statements shall cover the period of one fiscal year of the CESB. The audited Financial Statements for each such period shall be furnished to the Association not later than ten (10) months after the end of such period.

2. The CESB shall provide to the Recipient not later than forty (40) days after the end of each calendar semester, for incorporation in the report referred to in Section 4.08 (c) of the General Conditions all such information as the Recipient or the Association shall reasonably request for the purposes of that Section.

C. DLI #2 Verification

1. No later than three (3) months after the Effective Date, CESB shall appoint, and thereafter maintain throughout Program implementation, an Independent Verification Agent, with qualification, experience and under terms of reference satisfactory to the Association, to undertake the verification of compliance of DLI/DLR #2 which is set forth in the table in Section IV.A.2. of Schedule 2 to the Financing Agreement.

2. Throughout Program implementation and until all the Financing proceeds allocated to DLI #2 have been withdrawn, CESB shall cause said Independent Verification Agent to, not later than thirty (30) days, after the verification of compliance of DLI/DLR #2 has been completed, prepare and furnish to the Recipient and the Association, a report on the results of said verification of compliance process of such scope and in such detail as the Association shall reasonably request.