Project Agreement

(Enhanced Nutrition for Mother and Children Project)

between

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT / INTERNATIONAL DEVELOPMENT ASSOCIATION

acting as administrator of the Pakistan Partnership for Improved Nutrition Multi-Donor Trust Fund

and

PROVINCE OF BALOCHISTAN

Dated OCTOBER 31, 2014
PROJECT AGREEMENT

AGREEMENT dated October 31, 2014, entered into between INTERNATIONAL BANK OF RECONSTRUCTION AND DEVELOPMENT/INTERNATIONAL DEVELOPMENT ASSOCIATION (collectively, "World Bank") and the PROVINCE OF BALOCHISTAN ("Project Agreement") in connection with the Pakistan Partnership for Improved Nutrition Multi-Donor Trust Fund Grant Agreement ("MDTF Grant Agreement") of the same date between the ISLAMIC REPUBLIC OF PAKISTAN ("Recipient") and the World Bank, acting as administrator of the Pakistan Partnership for Improved Nutrition Multi-Donor Trust Fund. The World Bank and the Province of Balochistan hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

1.01. The Standard Conditions for Grants Made by the World Bank Out of Various Funds, dated February 15, 2012 ("Standard Conditions") constitute an integral part of this Agreement. To this end, all obligations and responsibilities of the Recipient set forth in Article II; Sections 4.02 through 4.06 of Article IV, and Articles V, VI and VII of the Standard Conditions, as well as any references therein to the Grant Agreement, shall be construed, mutatis mutandis, as obligations and responsibilities of the Province of Balochistan, and references to this Project Agreement respectively.

1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the Standard Conditions, in the MDTF Grant Agreement or in this Project Agreement.

ARTICLE II — PROJECT

2.01. The Province of Balochistan declares its commitment to the objectives of the Project. To this end, the Province of Balochistan shall carry out the Project in its territory in accordance with the provisions of Article II of the Standard Conditions, and shall provide promptly as needed, the funds, facilities, services and other resources required for the Project.

2.02. Without limitation upon the provisions of Section 2.01 of this Agreement, and except as the World Bank and the Province of Balochistan shall otherwise agree, the Province of Balochistan shall carry out the Project in accordance with the provisions of the Schedule to this Project Agreement.
ARTICLE III — REPRESENTATIVE; ADDRESSES

3.01. The Province of Balochistan’s Representative is the Secretary to the Government of Balochistan, Health Department.

4.02. The World Bank’s Address is:

International Bank of Reconstruction and Development/
International Development Association
1818 H Street, NW
Washington, DC 20433
United States of America

Cable: INTBAFRAD
Telex: INDEVAS 248423 (MCI) or 1-202-477-6391
Facsimile: 64145 (MCI)

4.03. The Province of Balochistan’s Address is:

Department of Health
Government of Balochistan
Block 6, Civil Secretariat
Quetta, Pakistan

Facsimile:

92-81-9201149
AGREED at Islamabad, Pakistan as of the day and year first above written.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT / INTERNATIONAL DEVELOPMENT ASSOCIATION acting as administrator of the Pakistan Partnership for Improved Nutrition Multi-Donor Trust Fund

By

[Signature]

Authorized Representative

Name: Rachid Benmessaoud
Title: Country Director

PROVINCE OF BALOCHISTAN

By

[Signature]

Authorized Representative

Name: Ahmed Raz
Title: Secretary
SCHEDULE

Execution of the Project in the Province of Balochistan

Section I. Implementation Arrangements

A. Institutional and Other Arrangements

1. The Province of Balochistan shall:

   (a) vest responsibility for oversight, coordination, and implementation of the Project in its territory in the Department of Health, through its Provincial Nutrition Cell, headed and maintained throughout the period of Project implementation by a Program Manager for Nutrition and with composition, resources and terms of references satisfactory to the World Bank, with the assistance of the Secretary (Health) of the Province of Balochistan, as required. Notwithstanding the foregoing, the Provincial Nutrition Cell shall be responsible for, *inter alia*: (i) the preparation of the Annual Work Plans and Budgets; (ii) liaising within the Department of Health on Project-related matters; and (iii) providing secretarial support to the Project Steering Committee, the Provincial Coordination Committee and the District Coordination Committees.

   (b) establish, by no later than two (2) months after the Effective Date, and thereafter maintain throughout the period of Project implementation, a Project Steering Committee, chaired by the Additional Chief Secretary of the Province of Balochistan, with composition, resources and terms of references satisfactory to the World Bank, responsible for, *inter alia*, providing policy and strategic direction and inter-sectoral coordination of the Project in the territory of the Province of Balochistan.

   (c) establish, by no later than two (2) months after the Effective Date, and thereafter maintain throughout the period of Project implementation, a Provincial Coordination Committee, chaired by the Director General of Health Services of the Department of Health, with composition, resources and terms of references satisfactory to the World Bank, responsible for, *inter alia*, reviewing Project’s performance and progress, and providing a forum for technical review, guidelines formulation and coordination among stakeholders in the territory of the Province of Balochistan.

   (d) establish, by no later than two (2) months after the Effective Date, and thereafter maintain throughout the period of Project implementation, a District Coordination Committee in each of Project Districts, chaired by the District Health Officer of the respective district, with composition, resources and terms of references satisfactory to the World Bank, responsible for, *inter alia*, implementation of Annual Work Plans and Budget, and oversight of and coordination among relevant line departments in the respective district.
(e) maintain throughout the period of Project implementation a District Nutrition Officer in each of the Project Districts, with terms of references satisfactory to the World Bank, responsible for, inter alia, coordination of implementation, monitoring and reporting at the respective district.

B. Anti-Corruption

The Province of Balochistan shall ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.

C. Annual Work Plans and Budgets

The Province of Balochistan shall:

(a) prepare and adopt by not later than May 31 of each year, an annual work plan and budget (the “Annual Work Plan and Budget”) for the following fiscal year in a manner and substance satisfactory to the World Bank, which plan shall identify the Project activities by component and subcomponent, together with their related expenditures and financing sources. Notwithstanding the foregoing, the first such Annual Work Plan and Budget for the first year of Project implementation shall be prepared by not later than two (2) months after the Effective Date of this Agreement; and thereafter,

(b) implement the Project activities during the relevant fiscal year in accordance such plan as so discussed and agreed with the World Bank.

D. Grievances Redressal

The Province of Balochistan shall establish by no later than three (3) months after the Effective Date, and thereafter maintain throughout the period of Project implementation, a grievance redressal mechanism satisfactory to the World Bank, for the handling of any complaints arising out of Project implementation.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

1. The Province of Balochistan shall 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 indicators acceptable to the World Bank. Each such Project Report shall cover the period of six (6) months, and shall be furnished to the Recipient not later forty five (45) days after the end of the period covered by such report for incorporation and forwarding by the Recipient to the World Bank of the overall Project Report.

2. Notwithstanding the provision of paragraph 1 above, the Province of Balochistan shall:
(a) prepare, by no later than July 15, 2016, and furnish to the Recipient and the World Bank, a mid-term review report, in a manner and substance satisfactory to the World Bank, integrating the results of the monitoring and evaluation activities performed pursuant to paragraph (1) above on the progress achieved in the carrying out of the Project during the period preceding the date of such report, and setting out the measures recommended to ensure the efficient carrying out of the Project and the achievement of the objectives thereof during the period following such date; and

(b) review with the World Bank, by September 30, 2016, or such later date as the World Bank shall request, the mid-term review report referred in sub-paragraph (a) above, and, thereafter, take all measures required to ensure the efficient completion of the Project and the achievement of the objectives thereof, base on the conclusions and recommendations of the said report and the World Bank’s views on the matter.

3. The Province of Balochistan shall provide to the Recipient not later than four (4) months after the Closing Date, for incorporation in the report referred to in Section 2.06 (b)(ii) of the Standard Conditions all such information as the Recipient or the World Bank shall reasonably request for the purposes of such Section.

B. Financial Management, Financial Reports and Audits

1. The Province of Balochistan shall maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the World Bank, both in a manner adequate to reflect the operations and financial condition of the Province of Balochistan, including the operations, resources and expenditures related to the Project.

2. Without limitation on the provisions of Part A of this Section, the Province of Balochistan shall prepare and furnish to the World Bank not later than forty-five (45) days after the end of each calendar quarter, interim financial reports for the Project covering the preceding quarter, in form and substance satisfactory to the World Bank.

3. The Province of Balochistan shall have its financial statements referred to above audited by independent auditors acceptable to the World Bank, in accordance with consistently applied auditing standards acceptable to the World Bank. Each audit of these financial statements shall cover the period of one fiscal year of the Province of Balochistan. The Province of Balochistan shall ensure that the audited financial statements for each period shall be: (a) furnished to the Recipient and the World Bank not later than six (6) months after the end of the period; and (b) made publicly available in a timely fashion and in a manner acceptable to the World Bank.

Section III. Procurement

1. All goods and services required for the Project and to be financed out of the proceeds of the Grant shall be procured in accordance with the provisions of Section III of Schedule 2 to the MDTF Grant Agreement.
2. The Province of Balochistan shall:

(a) establish, by no later than four (4) months after the Effective Date, and thereafter maintain throughout the period of Project implementation, a system for the handling of procurement complaints, in a manner and substance acceptable to the World Bank, which system shall include, inter alia, the maintenance of a complaint database, a standard protocol setting forth triggers for carrying out investigations, and a sanctions regime. Notwithstanding the foregoing, for any procurement done through International Competitive Bidding, the World Bank’s prescribed complaint redress mechanism shall apply;

(b) establish, by no later than four (4) months after the Effective Date, and thereafter maintain throughout the period of implementation of the Project, a procurement documentation and record keeping system, including a publicly accessible website, in a format agreed with the World Bank, showing, inter alia, the Project procurement plans, complete bidding documents, the status of procurement of various contracts (the summary of proposals/bid evaluations and awards), contract performance and payment delays, and a list of procurement complaints and status thereof; and

(c) carry out the Project in accordance with the requirements, criteria, organizational arrangements and operational procedures set forth in the Procurement Operations Manual (provided, however, that in case of any conflict between the arrangements and procedures set out in the Procurement Operations Manual and the provisions of this Agreement, the provisions of this Agreement shall prevail).