Project Agreement

(Rural Water Supply and Sanitation Project)

between

INTERNATIONAL DEVELOPMENT ASSOCIATION

and

STATE UNITARY ENTERPRISE “KHOJAGII MANZILIYU KOMMUNALI”
PROJECT AGREEMENT

AGREEMENT between INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association") and State Unitary Enterprise "Khojagii Manziliyu Kommunali" ("Project Implementing Entity") ("Project Agreement") in connection with the Financing Agreement ("Financing Agreement") of the Signature Date between the Republic of Tajikistan ("Recipient") and the Association, concerning Grant No. D4310-TJ. The Association and the Project Implementing Entity hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

1.01. The General Conditions (as defined in the Appendix to the Financing Agreement) apply to and form 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 — PROJECT

2.01. The Project Implementing Entity declares its commitment to the objectives of the Project. To this end, the Project Implementing Entity shall carry out the Project in accordance with the provisions of Article V of the General Conditions and the Schedule to this Agreement, and shall provide promptly as needed, facilities, services and other resources required for the Project.

ARTICLE III — TERMINATION

3.01. For purposes of Section 10.05 (c) of the General Conditions, the date on which the provisions of this Agreement shall terminate is twenty (20) years after the Signature Date.

ARTICLE IV — REPRESENTATIVE; ADDRESSES

4.01. The Project Implementing Entity’s Representative is its General Director.

4.02. For purposes of Section 11.01 of the General Conditions: (a) the Association’s address is:

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

(b) the Association’s Electronic Address is:

   Telex: 248423(MCI) or 1-202-477-6391
4.03. For purposes of Section 11.01 of the General Conditions: (a) the Project Implementing Entity’s address is:

Negmat Karabaeva 56
734018
Dushanbe
Republic of Tajikistan; and

(b) the Project Implementing Entity’s Electronic Address is:

Telex: 2217798  
Facsimile: 2276314

AGREED as of the later of the two dates written below.

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Authorized Representative

Name: Mr. Jan-Peter Olters
Title: Country Manager
Date: June 15, 2013

STATE UNITARY ENTREPRISE KHOJAGII MANZILIYU KOMMUNALI

By

Authorized Representative

Name: Mr. Jamshed Tabarzoda
Title: General Director
Date: June 15, 2013
SCHEDULE

Execution of the Project

Section I. Implementation Arrangements

A. Institutional Arrangements

1. The Project Implementation Entity shall cause PMU to maintain, throughout the implementation of the Project, adequate staff and management with experience, qualifications, responsibilities and resources acceptable to the Association.

2. (a) To facilitate the carrying out of the activities under the Project, the Project Implementing Entity shall enter into an agreement with PMU ("Project Implementation Agreement"), to delegate certain implementation functions under the Project, all under terms and conditions satisfactory to the Association.

(b) The Project Implementing Entity shall exercise its rights and carry out its obligations under the Project Implementation Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing. Except as the Association shall otherwise agree, the Project Implementing Entity shall not assign, amend, abrogate, or waive, the Project Implementation Agreement, or any provision thereof.

3. For purposes of carrying out the activities under Part 2 of the Project, the Project Implementing Entity shall enter into an MOU with MOHSP, not later than six (6) months after the Effective Date, to involve zonal offices and district branches of the National Center of Healthy Life Style.

B. Project Manuals

1. The Project Implementation Entity shall cause PMU to implement the Project in accordance with the Project Manuals as follows: (i) the Project Operational Manual to be adopted pursuant to Section 5.01 (a) of this Agreement, and setting forth rules, methods, guidelines and procedures for the carrying out of the Project, including, inter alia: (a) detailed description of the Project and institutional arrangements for its implementation; (b) monitoring, evaluation, reporting, and governance procedures for the Project; (c) disbursement, financial management, auditing and safeguards procedures for the Project; and (ii) the Manual for Household Result-Based Sanitation Incentives to be adopted, for Part 1 (b) (ii) of the Project, pursuant to Section III.B.1 (b) in Schedule 2 to the Financing Agreement and setting forth, inter alia: (a) eligibility criteria, detailed rules and procedures for identification, registration and selection of Eligible Beneficiaries; (b) modalities for documentation and information management; and (c) criteria for verification, in form and substance acceptable to the Association.

2. Except as the Association shall otherwise agree in writing, the Project Implementation Entity shall not amend, waive, suspend, or abrogate any provision of the Project Manuals.
In case of any inconsistency between any of the provisions of the Project Manuals and those of this Agreement, the provisions of this Agreement shall prevail.

C. **Project Implementation Agreement**

The Project Implementing Entity shall enter into the Project Implementation Agreement with the PMU and shall assign to the PMU day-to-day responsibilities for procurement, financial management, disbursement and reporting aspects of the Project implementation.

D. **Results-based Incentives Sub-grants**

1. The Project Implementation Entity shall and shall cause PMU to ensure that:

   (a) no Eligible Beneficiary shall be eligible to receive a Sub-grant for a Results-based Incentive unless said Eligible Beneficiary has met the requirements as elaborated in the Manual for Household Result-Based Sanitation Incentives; and

   (b) the selection, registration and identification of Eligible Beneficiaries are conducted in an open and transparent manner, all in accordance with the provisions of this Agreement and the Manual for Household Result-Based Sanitation Incentives.

E. **Annual Work Plan and Budget**

1. The Project Implementation Entity shall cause PMU to prepare and furnish to the Association not later than March 30 in each calendar year, for the Association’s consideration, a proposed work plan of activities proposed for inclusion in the Project for the following calendar year, containing: (a) a detailed timetable for the sequencing and implementation of proposed Project activities; (b) the types of expenditures required for such activities and a proposed financing plan (including the necessary funds and resources to be provided by the Recipient for such expenditures); (c) any training activities that may be required under the Project; and (d) the reference to each Safeguard Document applicable to said activities in accordance with the provisions of Sections I.F of this Schedule and the proposed approach to ensure preparation and implementation of said Safeguard Document during the relevant year.

2. The Project Implementation Entity shall afford the Association a reasonable opportunity to review and exchange views with the Recipient on each such proposed plan and budget, and thereafter shall ensure that the Project is implemented with due diligence and efficiency in accordance with such work plan and budget as shall have been approved by the Association (“Annual Work Plan and Budget”).

F. **Safeguards**

1. The Project Implementation Entity shall cause PMU to carry out the Project in accordance with the Safeguard Documents, including the guidelines, rules and procedures defined in said Safeguard Documents.
2. To this end, if an ESMP or a RAP is required on the basis of the ESMF or the RPF, the Project Implementation Entity shall cause PMU to take the following actions, in a manner acceptable to the Association:

(a) such ESMP, or RAP shall be prepared in accordance with the requirements of the ESMF or the RPF, consulted and disclosed locally and furnished to the Association for approval; and

(b) the pertinent Project activity shall be carried out in accordance with such ESMP, or RAP as approved by the Association.

3. If any activity under the Project would involve Affected Persons, the Project Implementation Entity shall cause PMU to ensure that no displacement (including restriction of access to legally designated parks and protected areas) shall occur before resettlement measures under the respective Safeguard Document, including, in the case of displacement, full payment to Affected Persons of compensation and of other assistance required for relocation, have been implemented.

4. The Project Implementation Entity shall cause PMU to ensure that no works on a specific site under the Project requiring resettlement and/or land acquisition are commenced until the respective Safeguard Document for said site is fully implemented.

5. The Project Implementation Entity shall cause PMU not to amend, suspend or waive, or permit to be amended, suspended or waived, any provision of Safeguard Document without the prior written approval of the Association.

6. In the event that any provision of the Safeguards Documents shall conflict with any provision under this Agreement, the provisions of this Agreement shall prevail.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

1. The Project Implementing Entity shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 5.08 (b) of the General Conditions and on the basis of the indicators acceptable to the Association. Each such Project Report shall cover the period of one calendar quarter, and shall be furnished to the Recipient not later than two weeks after the end of the period covered by such report for incorporation and forwarding by the Recipient to the Association of the overall Project Report.

2. The Project Implementing Entity shall provide to the Recipient not later than forty-five (45) days, for incorporation in the report referred to in Section 5.08 (c) of the General Conditions all such information as the Recipient or the Association shall reasonably request for the purposes of such Section.