Liberia Forest Landscape Single Donor Trust Fund

Project Agreement

(Liberia Forest Sector Project)

between

INTERNATIONAL DEVELOPMENT ASSOCIATION
(acting as Administrator of the Liberia Forest Landscape Single Donor Trust Fund)

and

FORESTRY DEVELOPMENT AUTHORITY

Dated April 27, 2016
AGREEMENT dated April 27, 2016, entered into between INTERNATIONAL DEVELOPMENT ASSOCIATION, acting as Administrator of the Liberia Forest Landscape Single Donor Trust Fund ("World Bank") and FORESTRY DEVELOPMENT AUTHORITY ("Project Implementing Entity") ("Project Agreement") in connection with the Liberia Forest Landscape Single Donor Trust Fund Grant Agreement ("Grant Agreement") of same date between the Republic of Liberia ("Recipient") and the World Bank. The World Bank and the Project Implementing Entity hereby agree as follows:

ARTICLE I — STANDARD CONDITIONS; DEFINITIONS

1.01. The Standard Conditions (as defined in the Grant 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 Grant Agreement or the Standard 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 II of the Standard Conditions, and shall provide promptly as needed, the funds, facilities, services and other resources required for the Project.

2.02. The Project Implementing Entity represents, by entering into this Agreement, that it is authorized to enter into this Agreement and to carry out the Project in accordance with the terms and conditions set forth or referred to in this Agreement.

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

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

4.02. The World Bank’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

4.03. The Project Implementing Entity’s Address is:

Forestry Development Authority
Wein Town, Mount Barclay
P.O. Box 3010
Montserrado County
Monrovia
Republic of Liberia

Telephone: (+231) (0)886 513 358
AGREED at Monrovia, Republic of Liberia, as of the day and year first above written.

INTERNATIONAL DEVELOPMENT ASSOCIATION
(acting as Administrator of Liberia Forest Landscape Single Donor Trust Fund)

By

[Signature]
Authorized Representative
Name: Ingyina Sobriga
Title: Country Managing

FORESTRY DEVELOPMENT AUTHORITY

By

[Signature]
Authorized Representative
Name: Hanson S. Karmewa, Sr.
Title: Managing Director
SCHEDULE

Execution of the Project

Section I. Implementation Arrangements

A. Implementation Arrangements

1. The Project Implementing Entity shall maintain throughout Project implementation the RIU, with mandate, composition and resources satisfactory to the World Bank, and supported by qualified and experienced staff in adequate numbers, to be responsible for implementation of the Project.

2. The Project Implementing Entity shall carry out the Project in coordination with the relevant concerned agencies, entities and stakeholders, Implementing Partners and Implementing Ministries (as further set forth in the MOUs and the PIM), in accordance with the MOUs and the PIM, and in coordination with the National Climate Change Secretariat and the NCCSC.

3. To facilitate the coordination of Project activities, the Project Implementing Entity shall enter into and maintain MOUs with the Implementing Partners and Implementing Ministries, and shall ensure that the Implementing Ministries and Implementing Partners: (a) comply with the provisions of the MOU they are a party to; (ii) maintain a dedicated team for the implementation of Project activities, with adequate staffing with qualifications and responsibilities satisfactory to the World Bank; and (iii) carry out the Project activities and their respective obligations under their respective MOUs in accordance with the PIM, the Anti-corruption Guidelines, the Safeguards Instruments, this Agreement and the Grant Agreement.

4. To facilitate Project implementation at the regional and local level, the Project Implementing Entity shall ensure that functions satisfactory to the World Bank exist to support the carrying out of the Project at the regional and local level, such as interagency task teams constituted of Implementing Partners and Implementing Ministries and other selected agencies, and service delivery partners, all as further set forth in the PIM.

5. The Project Implementing Entity shall carry out the Project in accordance with the PIM, and shall not amend or waive any of its provisions without the prior written agreement of the World Bank.

6. The Project Implementing Entity shall exercise its rights under the Subsidiary Agreement in such manner as to protect the interests of the Recipient and the World Bank and to accomplish the purposes of the Grant. Except as the World Bank shall otherwise agree, the Project Implementing Entity shall not assign, amend, abrogate or waive the Subsidiary Agreement or any of its provisions.
B. Anti-Corruption

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

C. Annual Work Plans

(a) The Project Implementing Entity shall prepare and furnish to the World Bank for its approval, not later than April 30, or such other date as the World Bank may agree to in writing, in each year during the implementation of the Project, an annual work plan covering all activities proposed to be carried out in the following fiscal year, including: (a) a detailed timetable for the sequencing and implementation of such activities; and (b) a proposed budget and financing plan for such activities, including counterpart funding required for the purpose.

(b) The Project Implementing Entity shall afford the World Bank a reasonable opportunity to exchange views with it on such proposed plan and budget, and thereafter allocate the necessary counterpart funds and implement or cause to be implemented of the Project during such following fiscal year in accordance with such annual work plan, and on the basis of such budget, as shall have been approved by the World Bank.

D. Safeguards

1. Without limitation to any provisions within this Agreement, the Project implementing Entity shall, except as otherwise agreed in writing by the World Bank:

   (a) implement the Project in accordance with the Safeguards Instruments;

   (b) in case of any activity under the Project requiring the adoption of an ESIA or ESMP as the case may be:

      (i) proceed to have such ESIA, and/or ESMP, as the case may be: (A) prepared and disclosed in accordance with the ESMF; (B) consulted upon adequately with people affected by the Project as per the ESMF, and submitted to the World Bank for review and approval; and (C) thereafter adopted, prior to implementation of the activity; and

      (ii) thereafter take such measures as shall be necessary or appropriate to ensure compliance with the requirements of such ESIA, ESMP; and

   (c) in the case of any activity under the Project involving Affected Persons, ensure that no activities (including restriction of access to legally designated parks and protected areas) shall occur before necessary measures, including preparation of any required plans such as Livelihood Restoration Plans, satisfactory to the World Bank and consistent with the PF are in place.
2. The Project Implementing Entity shall ensure that: (i) all consultancies related to technical assistance and capacity building under the Project, the application of whose results could have environmental or social implications, shall only be undertaken pursuant to terms of reference reviewed and found satisfactory by the World Bank; and (ii) such terms of reference shall duly incorporate the requirements of the World Bank's applicable safeguard policies and procedures then in force and shall require the technical assistance to take into account the requirements of said policies.

3. Without limitation upon its other reporting obligations under this Agreement, the Project Implementing Entity shall regularly collect, compile and submit to the Recipient and the World Bank as part of the Project Reports, in form and substance satisfactory to the World Bank, reports on the status of compliance with the Safeguard Instruments, giving details of: (a) measures taken in furtherance of such Safeguard Instruments; (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of such Safeguard Instruments; and (c) remedial measures taken or required to be taken to address such conditions.

4. The Project Implementing Entity shall afford the World Bank a reasonable opportunity to review and exchange views with the Recipient and the Project Implementing Entity on the reports prepared under paragraph 2 immediately above, and thereafter, shall carry out, or cause to be carried out, with due diligence, all remedial measures agreed with the World Bank so as to ensure the proper implementation of the Project in accordance with the Safeguard Instruments.

5. The Project Implementing Entity shall not amend, suspend, abrogate or waive, or permit to be amended, suspended, abrogated or waived, any Safeguard Instrument, or any provision thereof without the prior written agreement of the World Bank.

6. In the event of a conflict between the provisions of any of the Safeguard Instruments and the provisions of this Agreement, the provisions of this Agreement shall prevail.

E. Sub-Grants

1. The Project Implementing Entity shall make Sub-Grants to Eligible Recipients in accordance with screening mechanisms, eligibility criteria and procedures acceptable to the World Bank, as further set forth in the PIM.

2. The Project Implementing Entity shall make each Sub-Grant under a Sub-Grant Agreement with the respective Eligible Recipient on terms and conditions approved by the World Bank, which shall include that the Project Implementing Entity shall obtain rights adequate to protect its interests and those of the Recipient and the World Bank, including the right to:

(a) suspend or terminate the right of the Eligible Recipient to use the proceeds of the Sub-Grant, or obtain a refund of all or any part of the amount of the Sub-Grant then withdrawn, upon the Eligible Recipient's failure to perform any of its obligations under the Sub-Grant Agreement; and
require each Eligible Recipient to:

(A) carry out its Sub-project with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, environmental and social standards and practices satisfactory to the World Bank, including in accordance with the provisions of the Safeguards Instruments and the Anti-Corruption Guidelines applicable to recipients of grant proceeds other than the Recipient:

(B) provide, promptly as needed, the resources required for the purpose;

(C) procure the goods, works and services to be financed out of the Sub-Grant in accordance with the provisions of this Agreement and the PIM;

(D) maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with indicators acceptable to the World Bank, the progress of the Sub-Grant and the achievement of its objectives:

(E) (1) 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, resources and expenditures related to the Sub-project; and (2) at the Recipient’s or the World Bank’s or the Project Implementing Entity’s request, have such financial statements audited by independent auditors acceptable to the World Bank, in accordance with consistently applied auditing standards acceptable to the World Bank, and promptly furnish the statements as so audited to the Recipient, the World Bank and the Project Implementing Entity;

(F) enable the Recipient, the World Bank and the Project Implementing Entity to inspect the Sub-project, its operation and any relevant records and documents; and

(G) prepare and furnish to the Recipient, the World Bank and the Project Implementing Entity all such information as the Recipient or the World Bank or the Project implementing Entity shall reasonably request relating to the foregoing.

The Project Implementing Entity shall exercise its rights under each Sub-Grant Agreement in such manner as to protect the interests of the Recipient, the World Bank and the Project Implementing Entity and to accomplish the purposes of the Grant. Except as the Recipient and the World Bank shall otherwise agree, the Project Implementing
Entity shall not assign, amend, abrogate or waive any Sub-Grant Agreement or any of its provisions.

F. Scholarships

1. For the purpose of, and prior to, awarding Scholarships, the Project implementing Entity shall maintain in the PIM the selection methods and eligibility criteria for Eligible Candidates, and procedures, transaction, control, and clearance processes and the implementation mechanisms and necessary terms of reference for Scholarships, satisfactory to the World Bank.

2. The Project implementing Entity shall:

   (a) select Eligible Candidates for Scholarships in accordance with eligibility criteria, selection methods and procedures acceptable to the World Bank, set forth in the PIM, and shall review, appraise and evaluate Eligible Candidates, all in accordance with transaction, control and clearance processes and the procedural mechanisms and other provisions acceptable to the World Bank as further set forth in the PIM.

   (b) ensure that contractual arrangements are entered into in relation to each Scholarship, in form and substance, and on terms and conditions, approved by the World Bank which shall include that the Recipient and Project implementing Entity shall obtain rights adequate to protect the Recipient’s and Project Implementing Entity’s interests and those of the World Bank and to accomplish the purposes of the Project, including the right to: (i) suspend or terminate the right of the Eligible Candidate to be eligible for a Scholarship upon the Eligible Candidate’s failure to perform any of its obligations under the relevant contractual arrangements; and (ii) obtain all such information as the Recipient, the Project Implementing Entity or the World Bank shall reasonably request relating to the Scholarship.

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 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 one (1) calendar semester, and shall be furnished to the Recipient and the World Bank not later forty-five (45) days after the end of the period covered by such report.

2. The Project Implementing Entity shall provide to the Recipient and the World Bank not later than four (4) months after the Closing Date, a report referred to in Section 2.06 of the Standard Conditions and 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 Project Implementing Entity 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 Project Implementing Entity, including the operations, resources and expenditures related to the Project.

2. The Project Implementing Entity shall prepare and furnish to the World Bank not later than forty-five (45) days after the end of each calendar quarter, interim unaudited financial reports for the Project covering the quarter, in form and substance satisfactory to the World Bank.

3. The Project Implementing Entity 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 Project Implementing Entity. The Project Implementing Entity 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 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

All goods, works 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 Grant Agreement.