OFFICIAL DOCUMENTS

GRANT NUMBER D237-LR

Financing Agreement
(Liberia Land Administration Project)

between

REPUBLIC OF LIBERIA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

October 27, 2017
AGREEMENT dated as of the Signature Date between Republic of Liberia ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association"). The Recipient and the Association hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

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

ARTICLE II — FINANCING

2.01. The Association agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a grant, deemed by the Association to be on concessional terms, as set forth or referred to in this Agreement, in an amount equivalent to five million Special Drawing Rights (SDR 5,000,000) ("Financing"), to assist in financing the project described in Schedule 1 to this Agreement ("Project").

2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section III of Schedule 2 to this Agreement.

2.03. The Maximum Commitment Charge Rate is one-half of one percent (1/2 of 1%) per annum on the Unwithdrawn Financing Balance.

2.04. The Payment Dates are June 15 and December 15 in each year.

2.05. The Payment Currency is Dollar.

ARTICLE III — PROJECT

3.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall carry out the Project in accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement.
ARTICLE IV

EFFECTIVENESS; TERMINATION

4.01. The Additional Conditions of Effectiveness consist of the following:

(a) the Recipient through the LLA has prepared and adopted a Project Implementation Manual in form and substance satisfactory to the Association and prepared in accordance with Section I.B.1(a) of Schedule 2 to this Agreement; and

(b) the Recipient through the LLA has recruited a procurement specialist and appointed a project director, all with qualifications, experience and terms of reference satisfactory to the Association.

4.02. The Effectiveness Deadline is the date ninety (90) days after the Signature Date.

4.03. For purposes of Section 10.05 (b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty (20) years after the Signature Date.

ARTICLE V — REPRESENTATIVE; ADDRESSES

5.01. The Recipient’s Representative is its Minister for finance and development planning.

5.02. For purposes of Section 11.01 of the General Conditions:

the Recipient’s address is:

Ministry of Finance and Development Planning
P.O. Box 10-9013
Broad Street
Monrovia
Republic of Liberia; and

5.03. For purposes of Section 11.01 of the General Conditions:

(a) The Association’s Address is:

International Development Association
1818 H Street, N.W.
Washington, D.C. 20433
United States of America; and
(b) the Association’s Electronic Address is:

Telex: 248423 (MCI)
Facsimile: 1-202-477-6391

AGREED as of the Signature Date.

REPUBLIC OF LIBERIA

By

[Signature]

Authorized Representative

Name: Boma S. Kamara
Title: [Title]
Date: October 27, 2017

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

[Signature]

Authorized Representative

Name: Lorisa Leshchenko
Title: Country Manager
Date: October 27, 2017
SCHEDULE 1

Project Description

The objective of the Project is to strengthen the institutional capacity of the Liberia Land Authority and establish a Land Administration System.

The Project consists of the following parts:

Part 1 Support to the Liberia Land Authority

Provision of support to operationalize the LLA in carrying out its core responsibilities including:

(a) drafting of policies, laws, regulations and administrative procedures pertaining to land;

(b) establishment of business systems, plans and processes and developing a strategic investment strategy for LLA’s financial sustainability;

(c) reviewing the findings of a 2015 training needs assessment for LLA staff and devising and implementing capacity building strategies based on said analysis;

(d) carrying out communication and awareness raising campaigns for the public and other stakeholders (including communities, vulnerable groups such as women, private surveyors, banks and microfinance institutions) to apprise them of the land law, land institutions, dispute resolution mechanisms and any other topic as needed;

(e) acquisition of office equipment, furniture, supplies and vehicles to enable LLA to discharge its responsibilities; and

(f) carrying out minor renovation of LLA’s offices

Part 2: Support for inventory and analysis of Tribal Land Certificates

Establishing a central database and collecting, analyzing and in putting new and existing data on tribal land including Tribal Land Certificates in said database.
Part 3: Development of a Land Administration System

Provision of support to establish a Land Administration System including:

(a) supplying and installing the Geodetic Network and implementing activities for operation of said network;

(b) creating an inventory of existing maps and GIS data on the Recipient’s territory;

(c) carrying out pilots and assessments for development of a long-term vision for the Recipient’s work on land records, recording of land rights, valuation of land and land use planning; and

(d) developing a plan for decentralizing the LLA’s services to the local level.

Part 4: Project Coordination, Monitoring and Evaluation

Strengthening the institutional capacity of the LLA for Project management and implementation support including: (a) preparing Project reports; (b) undertaking baseline studies, preparing social assessments and project evaluation studies; (c) coordinating the various institutions participating in the Project; (d) monitoring and evaluating Project progress and results; and (e) the AMCU field supervision in connection with the Project all through provision of goods, works, technical advisory services, Training and Operating Costs.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. Liberia Land Authority

The Recipient shall implement the Project through the LLA which shall have overall responsibility for Project implementation including institutional coordination and day-to-day execution arrangements of the project.

2. Project Implementation Unit ("PIU")

(a) Without limitation upon the provisions of paragraphs 1 of this Section IA, the Recipient shall ensure that not later than three (3) months from the Effective Date, the LLA recruits the remaining Project Implementation Unit (PIU) staff, comprising, a financial management assistant, and monitoring and evaluation specialist all with qualifications, experience and terms of reference acceptable to the Association. The LLA shall thereafter maintain, at all times during the implementation of the Project, the PIU, with functions, staffing and resources satisfactory to the Association responsible for ensuring prompt and efficient overall coordination, day to day implementation of, and communication relating to Project activities and results.

(b) The PIU shall be responsible for: (i) ensuring compliance with environmental and social safeguards; (ii) preparing the proposed annual work plans and budgets; (iii) preparing a monthly monitoring table and quarterly progress reports; (iv) monitoring and evaluation of Project activities including the preparation of the baseline studies, social assessment and thematic assessment studies; (v) providing training to the LLA staff; and (vi) such other administrative, financial, technical and organizational arrangements and procedures as may be required for the Project.

3. Project Financial Management Unit

(a) The Recipient shall maintain the PFMU at all times during the implementation of the Project, with adequate resources and staff with qualifications, skills and experience and under terms of reference, satisfactory to the Association.
(b) The PFMU shall be responsible for carrying out all the financial management obligations under the Project, in accordance with the provisions of the Memorandum of Understanding (MOU) including the: (i) maintenance of accounting records and preparation of Financial Statements; (ii) preparation of the interim financial reports referred in Section II.C (2) of Schedule 2; (iii) processing payments of Project Eligible Expenditures; and (iv) facilitating Project audits.

B. Other Arrangements

1. Project Implementation Manual

(a) The Recipient shall through the LLA:

(i) prepare, in accordance with terms of reference acceptable to the Association, a Project implementation manual (“Project Implementation Manual”) comprising a project manual, procurement manual and financial management manual; and providing details of arrangements and procedures for the implementation of the Project, including: (A) capacity building activities for sustained achievement of the Project’s objectives; (B) institutional administration, coordination and day to day execution of Project activities; (C) monitoring and evaluation, reporting, information, and communication of Project activities; and (D) such other technical and organizational arrangements and procedures as shall be required for the Project.

(ii) afford the Association a reasonable opportunity to exchange views with the Recipient on said Project Implementation Manual, and thereafter, shall adopt such Project Implementation Manual, as shall have been approved by the Association.

(iii) ensure that the Project is carried out in accordance with the Project Implementation Manual; provided, however, that in case of any conflict between the provisions of the Project Implementation Manual and the provisions of this Agreement, the provisions of this Agreement shall prevail.

(b) The Recipient shall ensure that the LLA does not amend, abrogate or waive any provision of the Project Implementation Manual without the Association’s prior written agreement.
2. **Memorandum of Understanding**

   (a) In carrying out the Project, the Recipient shall ensure that not later than three (3) months from the Effectiveness Date, the LLA enters into an MOU with the PFMU setting out the obligations of both parties in carrying out the Project satisfactory to the Association.

   (b) The Recipient shall ensure that the LLA exercises its rights under the MOU in a manner to protect the interests of the Recipient and the Association. The Recipient shall ensure that the LLA and PFMU, do not abrogate, amend, suspend, terminate, waive or otherwise fail to enforce the MOU or any provisions thereof without the Association’s prior approval in writing; and in case of any conflict between the terms of the MOUs and those of this Agreement, the terms of this Agreement shall prevail.

C. **Safeguards**

1. The Recipient shall ensure that the Project is carried out in accordance with the Environmental and Social Management Framework (“ESMF”). To that end, the Recipient shall ensure that, if any Project activity would, pursuant to the Environmental and Social Management Framework (“ESMF”) require the carrying out of an Environmental and Social Impact Assessment (“ESIA”), the Recipient shall ensure that an ESIA for such activity is:

   (a) carried out, in accordance with the requirements of the ESMF and furnished to the Association for review and approval;

   (b) disclosed as required by the ESMF and approved by the Association; and

   (c) require the preparation of an Environmental and Social Management Plan (“ESMP”), such ESMP is prepared in accordance with the ESMF and furnished to the Association for review and approval, and is disclosed as required by the ESMF and approved by the Association.

2. Without limitation upon its other reporting obligations under this Agreement, the Recipient shall ensure that the LLA includes in the Project Reports referred to in Section II.A of this Schedule, adequate information on the implementation of the Safeguard Documents giving details of: (a) measures taken in furtherance of such Safeguard Documents; (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of such Safeguard Documents; and (c) remedial measures taken or required to be taken to address such conditions and to ensure the continued efficient and effective implementation of such Safeguard Documents.
3. The Recipient, through LLA, shall ensure that the terms of reference of any consultancy in respect to the Project shall be satisfactory to the Association following its review thereof and, to that end, such terms of reference shall duly incorporate the requirements of the Bank’s Safeguards Policies then in force, as applied to the advice conveyed through such technical assistance.

4. In the event of any inconsistency between the provision of the Safeguard Documents and any provision of this Agreement, the provisions of this Agreement shall prevail.

Section II. Project Monitoring, Reporting and Evaluation

The Recipient through the LLA shall furnish to the Association each Project Report not later than forty-five (45) days after the end of each calendar semester, covering the calendar semester.

Section III. Withdrawal of the Proceeds of the Financing

1. Without limitation upon the provisions of Article II of the General Conditions and in accordance with the Disbursement and Financial Information Letter, the Recipient may withdraw the proceeds of the Financing to: (a) finance Eligible Expenditures; and (b) repay the Preparation Advance; in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Grant Allocated (Expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, Works, non-consulting services, consulting services, Operating Costs and Training</td>
<td>4,700,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Refund of Preparation Advance</td>
<td>300,000</td>
<td>Amount payable pursuant to Section 2.07 of the General Conditions</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>5,000,000</td>
<td></td>
</tr>
</tbody>
</table>
2. Notwithstanding the provisions of paragraph 1 above, no withdrawal shall be made for payments made prior to the date of this Agreement, except that withdrawals up to an aggregate amount not to exceed SDR 300,000 may be made for payments made twelve (12) months prior to the Signature Date for Eligible Expenditures.

3. The Closing Date is October 31, 2022.

Section IV. **Other Undertakings**

The Recipient shall ensure that not later than eighteen months (18) from the Effective Date, all LLA staff involved in Project procurement, have received training in procurement and contract management at an institution satisfactory to the Association.
APPENDIX

Section I. Definitions

1. “Aid Management and Coordination Unit” or “AMCU” means a unit within the Ministry of Finance and Development Planning and responsible for coordinating all aid related functions between the Recipient and the development partners.

2. “Anti-Corruption Guidelines” means, for purposes of paragraph 5 of the Appendix to the General Conditions, the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006, and revised in January 2011 and as of July 1, 2016.

3. “Bank’s Safeguards Policies” means the Bank’s operational policies and procedures, set forth in the Bank’s operational manual and identified as OP/BP 4.01, 4.04, 4.09, 4.10, 4.11, 4.12, 4.36, 4.37, 7.50 and 7.60, as said manual is published under www.WorldBank.org/opmanual.

4. “Category” means a category set forth in the table in Section III.1 of Schedule to this Agreement.

5. “Environmental and Social Impact Assessment” or “ESIA” means, with respect to each activity under the Project pursuant to which the ESMF requires an environmental and social impact assessment, such assessment carried out pursuant to Section I.C.1 of Schedule 2 to this Agreement, in accordance with the ESMF; and “ESIAs” means more than one ESIA.

6. “Environmental and Social Management Framework” or “ESMF” means the framework of the Recipient entitled “Environmental & Social Management Framework (ESMF), Liberia Land Administration Project (LLAP)”, dated June 2017 and disclosed locally in ‘The Inquirer’ newspaper and the ‘Executive Mansion’ website (http://www.emansion.gov.lr) on June 23, 2017, setting forth the modalities for environmental screening and procedures for the preparation and implementation of environmental and social impact assessments and environmental and/or social management plans under the Project, and such term includes all schedules and annexes to the ESMF.

7. “Environmental and Social Management Plan” or “ESMP” means, with respect to each activity under the Project pursuant to which the ESMF and the ESIA of said activity requires an environmental and social management plan, such plan prepared in accordance with the ESMF and ESIA pursuant to the provisions of Section I.C.1 of Schedule 2 to this Agreement.

9. "Geodetic Network" means a network of survey control points, serving as a basic geo-positioning reference for surveying.


11. "Land Administration System” means a system for recording land ownership, land values, land use and other land related data including its publication. "Liberia Land Authority” or “LLA” means an autonomous agency of the Recipient, responsible for developing policies, undertaking actions and implementing programs in support of land governance, including land administration and management, established and operating pursuant to the Recipient’s law entitled ‘An Act to Amend Title 12, Executive Law of the Liberian Codes of Law Revised And to Add thereto a New Chapter Creating the Liberia Land Authority’ or its successor.

12. "MOU" means the Memorandum of Understanding to be entered between the LLA and the PFMU, on terms and conditions satisfactory to the Association, pursuant to the provisions of Section I.B.2 of Schedule 2 to this Agreement, setting out the respective obligations of the parties with respect to financial management arrangements under the Project, as the same may be amended from time to time with the prior written agreement of the Association.

13. Operating Costs” means incremental expenditures incurred on account of Project implementation including office supplies, vehicles operation and maintenance cost, vehicle rental and moving expenses, utilities expenses, consumables, printing and publication costs, transport and accommodation, per diem, and salaries of locally contracted support staff (excluding the salaries of Government civil servants) and other miscellaneous costs directly associated with the Project as shall be agreed with the Association.

14. "Preparation Advance" means the advance referred to in Section 2.07(a) of the General Conditions, granted by the Association to the Recipient pursuant to the letter agreement signed on behalf of the Association and countersigned on behalf of the Recipient on July 2, 2014.

15. "Procurement Regulations” means, for purposes of paragraph 87 of the Appendix to the General Conditions, the “World Bank Procurement Regulations for Borrowers under Investment Project Financing”, dated July 1, 2016.

16. “Project Implementation Manual” means the manual including all appendices and schedules thereto, satisfactory to the Association, to be prepared and adopted by
the Recipient setting forth the policies and procedures that apply to the carrying out of the Project, which include, *inter alia:* (a) the roles and responsibilities of each of the agencies or entities involved in Project implementation; (b) the staffing requirements for the Project; (c) the estimated implementation schedule; (d) the indicators to be used in the monitoring and evaluation of the Project; (e) model MOU between the PFMU and the LLA; (f) procedures for Project monitoring, supervision and evaluation, including the format and content of the Project Reports; and (g) procurement procedures and financial management procedures applied by the PFMU as the same may be amended from time to time with the prior written approval of the Association.

17. "Project Implementation Unit" or "PIU" means the unit referred to in Section I.A.2 of Schedule 2 to this Agreement.

18. "Safeguards Documents" means the ESIA, ESMF and ESMP.

19. "Signature Date" means the latest of the two dates on which the Recipient and the Association signed this Agreement and such definition applied to all references to "the date of the Financing Agreement" in the General Conditions.

20. "Training" means expenditures (other than those for consultants' services) incurred for Project-related study tours, training courses, seminars, workshops and other training activities, not included under goods or service providers' contracts, including costs of training materials, space and equipment rental, travel, accommodation and *per diem* costs of trainees and trainers and trainers' fees, and other training related miscellaneous costs, all based on an annual budget agreed with the Association.

21. "Tribal Land Certificates" means a legal document signed by the tribal authorities and issued by the county land commissioner under the 1956 and 1973 Public Lands Law certifying the consent of the tribal authorities to sell customary land through the public land sale program and confirming that the customary land to be sold is not part of a tribal reserve, or is owned or occupied.