Project Agreement

(Third Export Development Project)

between

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

and

CENTRE DE PROMOTION DES EXPORTATIONS

Dated August 19, 2014
PROJECT AGREEMENT

AGREEMENT dated Aug 19, 2014, entered into between INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT ("Bank") and CENTRE DE PROMOTION DES EXPORTATIONS ("Project Implementing Entity") ("Project Agreement") in connection with the Loan Agreement ("Loan Agreement") of same date between REPUBLIC OF TUNISIA ("Borrower") and the Bank. The Bank 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 Loan 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 Loan 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 Parts 2.A and C of the Project in accordance with the provisions of Article V of the General Conditions, and shall provide promptly as needed, the funds, facilities, services and other resources required for its Respective Part of the Project.

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

ARTICLE III — REPRESENTATIVE; ADDRESSES

3.01. The Project Implementing Entity's Representative is its President Director General.

3.02. The Bank's Address is:

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

Cable: INTBAFRAD Telex: 248423(MCI) or 64145(MCI) Facsimile: 1-202-477-6391
3.03. The Project Implementing Entity’s Address is:

Maison de l’Exportateur
Centre de Promotion des Exportations
Centre Urbain Nord
1080 Tunis
Republic of Tunisia

Telex: 00216 712 32509

AGREED at Tunis, Tunisie, as of the day and year first above written.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By

[Signature]

Authorized Representative

Name: Eileen Munro
Title: Country Manager

CENTRE DE PROMOTION DES EXPORTATIONS

By

[Signature]

Authorized Representative

Name: Le Président Directeur Général
Title: Abdellatif HAMAM
SCHEDULE

Execution of the Project Implementing Entity’s Respective Parts of the Project

Section I. Implementation Arrangements

A. Institutional Arrangements

1. No later than the date specified in the Loan Agreement, the Project Implementing Entity shall establish and maintain, at all time during the implementation of the Project, a Matching Grant Selection Committee, with membership, resources and terms of reference satisfactory to the Bank, to be responsible for: (a) ensuring proper implementation of Part 2A of the Project in accordance with the provisions of the Project Operations Manual; (b) approving grant and program requests submitted by the fund management technical team; and (c) analyzing annual reports, implementation plans and budget before they are submitted to the CEPEX board of directors for adoption.

2. The Project Implementing Entity shall appoint and maintain at all time during the implementation of the Project, a technical team (Fund Management Technical Team), with membership, resources and terms of reference satisfactory to the Bank (including a procurement and a financial management specialist), to be responsible for promotion of activities under Part 2.A of the Project, providing support to enterprises and professional associations, supervising and monitoring the results of under said Part 2.A and to contribute to the preparation of consolidated Project reports by the PCMU.

B. Anti-Corruption

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

C. Matching Grant

1. To ensure the proper and efficient implementation of Part 2.A of the Project, the Project Implementing Entity shall extend Matching Grants to Beneficiaries in accordance with eligibility criteria and procedures acceptable to the Bank, which shall include the following:

   (a) The proposed Beneficiary:

   (i) is an entity in good standing that is registered under the laws of the Borrower and has the legal capacity to enter into binding agreements under the laws of the Borrower;

   (ii) is an entity that provides the services or carries out the activities eligible to be financed under Part 2.A of the Project; and

   (iii) has provided satisfactory evidence of its ability, and has committed, to provide the required Beneficiary’s contribution to the financing of the
proposed Sub-project, as stated in the Matching Grant Manual for the relevant type of Sub-project, out of its own resources or resources other than the Matching Grant.

(b) The Sub-project shall contribute:

(i) to the Borrower’s economic objectives (including creation of value-added, creation of skilled jobs, and development of the Borrower’s regions);

(ii) to the sophistication and diversification of exports to include new goods and services;

(iii) to the Borrower’s competitive advantage in the Project sectors in countries; and

(iv) to the capacity of the actors in the Project sectors to utilize the assistance provided by the Project and to achieve tangible results.

2. The Project Implementing Entity shall make each Matching Grant under a Matching Grant Agreement with the respective Beneficiary on terms and conditions approved by the Bank, which shall include the following:

(a) The Matching Grant shall be denominated in Tunisian Dinar.

(b) The Project Implementing Entity shall obtain rights adequate to protect its interests and those of the Borrower and the Bank, including the right to: (i) suspend or terminate the right of the Beneficiary to use the proceeds of the Matching Grant, or obtain a refund of all or any part of the amount of the Matching Grant then withdrawn, upon the Beneficiary’s failure to perform any of its obligations under the Matching Grant Agreement; and (ii) require each Beneficiary 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 Bank, including in accordance with the provisions of the Anti-Corruption Guidelines applicable to recipients of loan proceeds other than the Borrower; (B) provide, promptly as needed, the resources required for the purpose; (C) procure the goods, works and services to be financed out of the Matching Grant in accordance with the provisions of this Agreement; (D) maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with indicators acceptable to the Bank, the progress of the Sub-project 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 Bank, both in a manner adequate to reflect the operations, resources and expenditures related to the Sub-project; and (2) at the Bank’s, the Borrower’s or the Project Implementing Entity’s request, have such financial statements audited by independent auditors acceptable to the Bank, in accordance with consistently applied auditing standards acceptable to the
Bank, and promptly furnish the statements as so audited to the Project Implementing Entity, the Borrower and the Bank; (F) enable the Borrower and the Bank to inspect the Sub-project, its operation and any relevant records and documents; and (G) prepare and furnish to the Project Implementing Entity, the Borrower and the Bank all such information as the Project Implementing Entity, the Borrower or the Bank shall reasonably request relating to the foregoing.

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

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

1. The Project Implementing Entity shall monitor and evaluate the progress of its Respective Part of the Project and prepare Project Reports for its Respective Part of the Project in accordance with the provisions of Section 5.08 (b) of the General Conditions and on the basis of indicators acceptable to the Bank. Each such Project Report shall cover the period of one calendar semester and shall be furnished to the Borrower not later than thirty (30) days after the end of the period covered by such report for incorporation and forwarding by the Borrower to the Bank of the overall Project Report.

2. The Project Implementing Entity shall provide to the Borrower not later than forty-five (45) days after the end of each semester, for incorporation in the report referred to in Section 5.08 (c) of the General Conditions all such information as the Borrower or the Bank shall reasonably request for the purposes of that 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 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 its Respective Part of the Project.

2. The Project Implementing Entity shall have its financial statements referred to above audited by independent auditors acceptable to the Bank, in accordance with consistently applied auditing standards acceptable to the 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 Borrower and the 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 Bank.
3. The Project Implementing Entity shall prepare and furnish to the Borrower not later than thirty (30) 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 Bank.

Section III. Procurement

All goods and services required for the Project Implementing Entity’s Respective Part of the Project and to be financed out of the proceeds of the Loan shall be procured in accordance with the provisions of Section III of Schedule 2 to the Loan Agreement.