Liberia Reconstruction Trust Fund
Grant Agreement

(Cheesemanburg Landfill and Urban Sanitation Project)

between

REPUBLIC OF LIBERIA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION
(acting as Administrator of the Liberia Reconstruction Trust Fund, TF No. 070859)

Dated July 28, 2017
LRTF GRANT NUMBER TF0A5269

LIBERIA RECONSTRUCTION TRUST FUND
GRANT AGREEMENT

AGREEMENT dated July 28, 2017, entered into between the REPUBLIC OF LIBERIA ("Recipient"); and INTERNATIONAL DEVELOPMENT ASSOCIATION] ("World Bank"), acting as administrator of the Liberia Reconstruction Trust Fund ("LRTF").

WHEREAS: (A) the World Bank together with various donors established the LRTF on April 21, 2008 to support the Recipient in improving its basic infrastructure in order to: (i) create an enabling environment for incremental economic growth; (ii) allow access to basic services; and (iii) build the capacity for planning and managing development projects in the Recipient's territory;

(B) the Recipient has requested the World Bank to allocate, out of the resources of the LRTF, the amount of financing required to finance the Project described in Schedule I to this Agreement (the "Project"); and

(C) the World Bank has agreed, on the basis, inter alia, of the foregoing, to extend to the Recipient, as a grant, the amount of financing described in Section 3.01 of this Agreement, upon the terms and conditions set forth in this Agreement;

NOW, THEREFORE, the Recipient and the World Bank hereby agree as follows:

Article I
Standard Conditions; Definitions


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

Article II
The Project

2.01. The Recipient declares its commitment to the objectives of the project described in Schedule I to this Agreement ("Project"). To this end, the Recipient shall carry out the Project in accordance with the provisions of Article II of the Standard Conditions.
2.02. Without limitation upon the provisions of Section 2.01 of this Agreement, and except as the Recipient and the World Bank shall otherwise agree, the Recipient shall ensure that the Project is carried out in accordance with the provisions of Schedule 2 to this Agreement.

Article III
The Grant

3.01. The World Bank agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a grant in an amount not to exceed ten million five hundred thousand United States Dollars ($10,500,000 ("Grant") to assist in financing the Project.

3.02. The Recipient may withdraw the proceeds of the Grant in accordance with Section IV of Schedule 2 to this Agreement.

3.03. The Grant is funded out of the abovementioned trust fund for which the World Bank receives periodic contributions from the donors to the trust fund. In accordance with Section 3.02 of the Standard Conditions, the World Bank’s payment obligations in connection with this Agreement are limited to the amount of funds made available to it by the donors under the abovementioned trust fund, and the Recipient’s right to withdraw the Grant proceeds is subject to the availability of such funds.

Article IV
Effectiveness; Termination

4.01. This Agreement shall not become effective until evidence satisfactory to the World Bank has been furnished to the World Bank that the conditions specified below have been satisfied.

(a) The execution and delivery of this Agreement on behalf of the Recipient has been duly authorized or ratified by all necessary governmental action.

(b) The Recipient has prepared and adopted a Project Implementation Manual in form and substance satisfactory to the World Bank.

(c) The Recipient has recruited a safeguard specialist with experience and under terms of reference satisfactory to the World Bank.

(d) The PIU has entered into an MOU with the PFMU in form and substance satisfactory to the World Bank.
4.02. As part of the evidence to be furnished pursuant to Section 5.01 (a), there shall be furnished to the World Bank an opinion or opinions satisfactory to the World Bank of counsel acceptable to the World Bank or, if the World Bank so requests, a certificate satisfactory to the World Bank of a competent official of the Member Country, showing the following matter, namely, on behalf of the Recipient, that this Agreement has been duly authorized or ratified by, and executed and delivered on its behalf and is legally binding upon it in accordance with its terms.

4.03. Except as the Recipient and the World Bank shall otherwise agree, this Agreement shall enter into effect on the date upon which the World Bank dispatches to the Recipient notice of its acceptance of the evidence required pursuant to Section 4.01 ("Effective Date"). If, before the Effective Date, any event has occurred which would have entitled the World Bank to suspend the right of the Recipient to make withdrawals from the Grant Account if this Agreement had been effective, the World Bank may postpone the dispatch of the notice referred to in this Section until such event (or events) has (or have) ceased to exist.

4.04. Termination for Failure to Become Effective. This Agreement and all obligations of the parties under it shall terminate if it has not entered into effect by the date 90 days after the date of this Agreement, unless the World Bank, after consideration of the reasons for the delay, establishes a later date for the purpose of this Section. The World Bank shall promptly notify the Recipient of such later date.

Article V
Recipient's Representative; Addresses

5.01. The Recipient's Representative referred to in Section 7.02 of the Standard Conditions is the Minister responsible for finance and development planning.

5.02. The Recipient's Address is:

Ministry of Finance and Development Planning
P.O. Box 10-9013
Broad Street
Monrovia
Republic of Liberia
5.03. The World Bank’s Address referred to in Section 7.01 of the Standard Conditions is:

International Development Association
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

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

AGREED at Monrovia, Liberia, as of the day and year first above written.

REPUBLIC OF LIBERIA

By

[Signature]
Authorized Representative
Name: Boima S. Kamara
Title: Minister

INTERNATIONAL DEVELOPMENT ASSOCIATION
(acting as administrator of the Liberia Reconstruction Trust Fund)

By

[Signature]
Authorized Representative
Name: Larisa Leshchenko
Title: Country Manager
SCHEDULE 1

Project Description

The objective of the Project is to provide improved access to solid waste management services in Monrovia.

The Project consists of the following parts:

Part 1: Construction of the Cheesemanburg Regional Landfill and Partial Closure of the Whein Town Landfill

Provision of assistance to the Monrovia City Corporation to:

(a) conduct preliminary technical studies on the Cheesemanburg site including hydrogeological studies and prepare the related designs and tender documents for the landfill.

(b) construct the Cheesemanburg landfill including the related facilities.

(c) construct water supply boreholes and extend the access road to benefit the Cheesemanburg community.

(d) carry out activities to partially close the Whein Town landfill such as constructing a perimeter wall around the landfill and provision of cover soil and low vegetation for the slopes.

(e) carry out activities to permanently close the Whein Town landfill such as installation of signage notifying the public that the landfill will no longer accept any waste.

(f) carry out rehabilitation and minor upgrades to the existing transfer stations to accommodate larger waste transfer trucks.

Part 2: Waste Collection and Disposal

(a) Provision of assistance to the MCC to purchase waste collection equipment.

Part 3: Institutional Capacity Development and Technical Assistance

(a) Strengthen the capacity of staff at the MCC, surrounding municipalities and the EPA on solid waste management.

(b) Prepare a long-term waste management strategy for the Greater Monrovia including an optimization and an assessment of waste recycling.
(c) Conduct public awareness campaigns and citizens' engagement activities on solid waste management.

(d) Provide technical assistance to carry out a study on urban planning and management in Monrovia and the neighboring municipalities.

(e) Provide support to the PIU to carry out project implementation activities including recruitment of a safeguard specialist and a Cheesemanburg community liaison officer to assist the PIU during project implementation.
SCHEDULE 2
Project Execution

Section I. Institutional and Other Arrangements

A. Institutional Arrangements

Monrovia City Corporation

1. The Recipient shall:
   
   (a) carry out the Project through the Monrovia City Corporation (MCC) which shall be responsible for providing basic municipal services, including solid waste management, and training.
   
   (b) ensure that throughout the implementation of the Project, the MCC’s Project Implementation Unit (PIU): (i) carries out oversight and compliance with environmental and social safeguards; (ii) prepares the proposed annual work plans and budgets; (iii) consolidates periodic progress reports; (iv) monitors and evaluates Project activities; (v) carries out procurement and contract management and (vi) liaises with other MCC departments, communities around the Cheesemanburg landfill site, Ministry of Finance and Development Planning (MFDP) and the World Bank on issues related to Project implementation.

2. To this end, the Recipient shall ensure that MCC recruits staff (including, inter alia, a procurement specialist, a community liaison specialist; and a safeguard specialist, all with qualifications, experience and terms of reference acceptable to the World Bank.

Project Financial Management Unit

1. The Recipient shall maintain the PFMU at all times during the implementation of the Project, with staff with qualifications, skills and experience and under terms of reference, satisfactory to the World Bank.

2. 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: (a) maintenance of accounting records and preparation of Financial Statements; (b) preparation of the interim financial reports referred in Section II.C (2) of Schedule 2; (c) processing payments of Project Eligible Expenditures; and (d) facilitating Project audits.
B. Other Arrangements

**Memorandum of Understanding**

1. In carrying out the Project, the Recipient shall ensure that the PIU enters into an MOU with the PFMU satisfactory to the World Bank setting out the obligations of both parties including with respect to carrying out the financial management aspects of the Project.

2. The Recipient shall exercise its rights under the MOU in a manner to protect the interests of the Recipient and the World Bank. The Recipient shall ensure that the PIU and PFMU, will not abrogate, amend, suspend, terminate, waive or otherwise fail to enforce the MOU or any provisions thereof without the World Bank’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.


1. The Recipient shall through MCC prepare, in accordance with terms of reference acceptable to the World Bank, a Project implementation manual (Project Implementation Manual): (a) providing details of arrangements and procedures for the implementation of the Project, including: (i) capacity building activities for sustained achievement of the Project’s objectives; (ii) institutional administration, coordination and day to day execution of Project activities; (iii) monitoring and evaluation, reporting, information, education and communication of Project activities; and (iv) such other technical and organizational arrangements and procedures as shall be required for the Project; (b) a procurement manual; and (c) a financial management manual, setting forth the detailed policies and procedures for financial management and disbursement under the Project.

2. The Recipient shall afford the World Bank 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 World Bank (“Project Implementation Manual”).

3. The Recipient shall 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.

4. The Recipient shall not amend, abrogate or waive any provision of the Project Implementation Manual without the World Bank’s prior written agreement.
C. Safeguards

1. The Recipient shall ensure that the Project is implemented in accordance with the guidelines, procedures, timetables and other specifications set forth in the Safeguard Documents. In particular, the Recipient shall ensure that:

   (a) for each activity under the Project of a type for which the ESIA should be prepared, such ESIA, in form and substance satisfactory to the World Bank, is effectively prepared and locally disclosed, before the implementation of such activity;

   (b) for each activity under the Project of a type for which the Abbreviated Resettlement Action Plan ("ARAP") is required, such activity shall be implemented, in accordance with the ARAP;

2. Except as the World Bank shall otherwise agree in writing and subject to compliance with applicable consultation and public disclosure requirements of the World Bank, the Recipient shall not abrogate, amend, repeal, suspend or waive any provisions of any of the ESIA and ARAP, nor shall it permit any other entity participating in the implementation of the Project to do so.

3. The Recipient, through MCC, shall ensure that the terms of reference of any consultancy in respect to the Project shall be satisfactory to the World Bank 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. Without limitation upon its other reporting obligations under this Agreement, the Recipient shall, for each applicable Safeguard Document, regularly collect, compile and furnish to the World Bank reports in form and substance satisfactory to the World Bank, on the status of compliance with each applicable Safeguard Document, as part of the Project Reports, giving details of:

   (a) measures taken in furtherance of such Safeguard Document;

   (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of such Safeguard Document; and

   (c) remedial measures taken or required to be taken to address such conditions.

5. In the event that any provision of the Safeguard Documents shall conflict with any provision under this Agreement, the provisions of this Agreement shall prevail.
C. Anti-Corruption

The Recipient shall ensure that the Project is carried out in accordance with the provisions of 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 (“Anti-Corruption Guidelines”).

D. Donor Visibility and Visit

1. The Recipient shall take or cause to be taken all such measures as the World Bank may reasonably request to identify publicly the Donors’ support for the Project.

2. For the purposes of Section 2.09 of the Standard Conditions, the Recipient shall, upon the World Bank’s request, take all measures required on its part to enable the representatives of the Donors to visit any part of the Recipient’s territory for purposes related to the Project.

Section II. Project Monitoring, Reporting and Evaluation

A. Documents; Records

In addition, and without limitation to the obligations set forth in Section 2.05 of the Standard Conditions, the Recipient shall ensure that:

(a) all records evidencing expenditures under the Project are retained for seven years and six months after the Closing Date, such records to include: (i) this Agreement, all addenda thereof, and any amendments thereto; (ii) the Recipient’s financial and narrative progress reports submitted to the World Bank; (iii) the Recipient’s financial information related to the Grant, including audit reports, invoices and payroll records; (iv) the Recipient’s implementation documentation (including sub-agreements, procurement files, contracts, purchase orders); and (v) the corresponding supporting evidence referred to in Section 3.04 of the Standard Conditions; and

(b) the representatives of the World Bank are: (i) able to examine all records referred to above in paragraph (a); (ii) provided all such information concerning such records as they may from time to time reasonably request; and (iii) able to disclose such records and information to the Donors.
B. Project Reports; Completion Report

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

2. The Recipient shall prepare the Completion Report in accordance with the provisions of Section 2.06 of the Standard Conditions. The Completion Report shall be furnished to the World Bank not later than three (3) months after the Closing Date. In order to assist the Recipient in preparing the Completion Report, the Recipient shall employ consultants in accordance with the provisions of Section III of this Schedule.

C. Financial Management; Financial Reports; Audits

1. The Recipient shall ensure that a financial management system is maintained in accordance with the provisions of Section 2.07 of the Standard Conditions.

2. The Recipient shall ensure that interim unaudited financial reports for the Project are prepared and furnished to the World Bank as part of the Project Report not later than 45 days after the end of each calendar quarter, covering the quarter, in form and substance satisfactory to the World Bank.

3. The Recipient shall have its Financial Statements for the Project audited annually in accordance with the provisions of Section 2.07 (b) of the Standard Conditions. Each audit of the Financial Statements shall cover the period of one (1) Fiscal Year of the Recipient during which withdrawals from the Grant Account were made. The audited Financial Statements for each period shall be furnished to the World Bank not later than six (6) months after the end of such period.

Section III. Procurement

All goods, works, non-consulting services and consulting services required for the Project and to be financed out of the proceeds of the Grant shall be procured in accordance with the requirements set forth or referred to in the “World Bank Procurement Regulations for Borrowers under Investment Project Financing” dated July 1, 2016 (“Procurement Regulations”), and the provisions of the Recipient’s procurement plan for the Project (“Procurement Plan”) dated June 8, 2017 provided for under Section IV of the Procurement Regulations, as the same may be updated from time to time in agreement with the World Bank.
Section IV. Withdrawal of Grant Proceeds

A. General

1. The Recipient may withdraw the proceeds of the Grant in accordance with the provisions of: (a) Article III of the Standard Conditions; (b) this Section; and (c) such additional instructions as the World Bank may specify by notice to the Recipient (including the "Disbursement Guidelines for Investment Project Financing" dated February 2017, as revised from time to time by the World Bank and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the table in paragraph 2 below.

2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Grant ("Category"), the allocations of the amounts of the Grant to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Grant Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goods, Works, non-consulting services, consulting services, Operating Costs and Training</td>
<td>10,500,000</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>10,500,000</td>
<td></td>
</tr>
</tbody>
</table>

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section no withdrawal shall be made for payments made prior to the date of this Agreement.

2. The Closing Date referred to in Section 3.06(c) of the Standard Conditions is June 30, 2020.

Section V. Other Undertakings

1. The Recipient shall maintain throughout the implementation of the Project, an independent contractor responsible for overseeing weighbridge operations with qualifications, skills and experience and under terms of reference satisfactory to the World Bank.
2. The Recipient shall ensure that that not later than three (3) months after the Effective Date, the MCC recruits a procurement specialist and a Cheesemanburg community liaison officer with qualifications and experience satisfactory to the World Bank.

3. The Recipient shall through the MCC ensure that not later than eighteen months (18) from the Effective Date, PIU staff involved in Project procurement, obtain training in contract management at an institution satisfactory to the World Bank.

4. The Recipient shall:

   (a) open and maintain an account (the Project Account) in Dollars in a commercial bank acceptable to the Association, wherein it shall deposit its Counterpart Funds sufficient to cover the portion of counterpart financing requirements for local expenditures for which the Recipient is responsible for under the Project.

   (b) ensure that funds deposited in the Project Account in accordance with paragraph (1) of this section shall be used only to finance the Recipient's contribution to the expenditures under the Project which are not financed out of the proceeds of the Financing.

   (c) Notwithstanding the foregoing, at any time, by notice to the Association, the Recipient may commit and allocate more than the minimum Counterpart Funding to the Project for a particular year and upon which the Counterpart Funding for the following year shall be pro-rated to the extent of said additional contribution.
APPENDIX

A. Definitions


2. “Abbreviated Resettlement Action Plan” or “ARAP” means the site-specific resettlement action plan, dated May 5, 2016 and disclosed on June 5, 2017; prepared by the Recipient and MCC, pursuant to this Agreement, and satisfactory to the World Bank, containing, inter alia, detailed information on the social and economic risks associated with the land acquisition and a program of actions, measures and policies for compensation and resettlement of Displaced Persons, including compensation and resettlement arrangements, budget and cost estimates, and sources of funding, together with adequate institutional, monitoring and reporting arrangements capable of ensuring proper implementation of, and regular feedback on, compliance with the terms of the ARAP as such plan may be amended with the prior written concurrence of the World Bank.

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. “Counterpart Funding” means the Recipient’s contribution in the total amount of seven million Dollars ($7,000,000) paid in instalments of three hundred and fifty thousand Dollars ($350,000) on a quarterly basis to finance the Recipient’s contribution for the local expenditures the Project for the duration of the Project.

5. "Displaced Persons" means persons who, on account of the execution of the Project would suffer direct economic and social impacts resulting in: (a) the involuntary taking of land resulting in: (i) relocation or loss of shelter; (ii) loss of assets or access to assets; and (iii) loss of income sources or means of livelihood, whether or not the affected persons must move to another location; or (b) the involuntary restriction of access to legally designated parks and protected areas resulting in adverse impacts on the livelihoods of said person.

6. “Environmental and Social Impact Assessment” or “ESIA” means the assessment dated April 27, 2017 and disclosed in country on May 16, 2017; prepared by the Recipient in accordance with the environmental and social screening guidelines taking into account the environmental and social risks and adverse impacts associated with the implementation of the proposed Project activities, as the same may be amended from time to time with the World Bank’s prior written approval.
7. “EPA” means the Liberia Environmental Protection Agency established and operating pursuant to the Recipient’s law entitled *An Act Creating the Environmental Protection Agency of the Republic of Liberia*, approved on November 26, 2002 and published on April 30, 2003, or its successor.

8. “Fiscal Year” and “FY” mean the Recipient’s fiscal year which runs from July 1 through June 30 of the following year.

9. “Greater Monrovia” means the city limits of Monrovia, Paynesville, and Brewerville.

10. “MOU” means the Memorandum of Understanding to be entered into between the PIU and the PFMU, on terms and conditions satisfactory to the World Bank, pursuant to the provisions of Section 1 B, 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 World Bank.

11. “MCC” or Monrovia City Corporation” means a municipal body established and operating pursuant to the Recipient’s law entitled *An Act To Repeal The Act Creating The Commonwealth District Of Monrovia And To Create in Lieu Thereof The City of Monrovia, County of Montserrado, And To Grant It a Charter*, or its successor.

12. “MPW” means the Recipient’s Ministry of Public Works or its successor.

13. “Operating Costs” means the incremental operating costs incurred on account of the management and implementation of the Project, on the basis of approved work plans and budgets for the Project, including hire of venues for Training; purchase of materials for approved Training; operation and maintenance costs for Project vehicles, office supplies, consumables, bank charges, travel costs, per diems, and accommodation, but excluding salaries of the Recipient’s civil servants.

14. “PFMU” means the Project Financial Management Unit with the Ministry of Finance and Development Planning responsible for financial management under the Project.

15. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated June 12, 2017 and provided for under Section IV of the Procurement Regulations, as the same may be updated from time to time in agreement with the Association.

17. "Project Implementation Manual" means the manual including all appendices and schedules thereto, satisfactory to the World Bank, 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 PIU; (f) procedures for Project monitoring, supervision and evaluation, including the format and content of the Project Reports; and (g) procurement and financial management procedures as the same may be amended from time to time with the prior written approval of the World Bank.

18. "Project Implementation Unit" or "PIU" means the unit referred to in Section I.A.1(b) of Schedule 2 to this Agreement.

19. "Safeguard Document" means the ESIA or ARAP.

20. "Training" means the reasonable costs associated with the training, workshop and study tour participation of personnel involved in Project activities, including the cost of travel and subsistence for training, workshop and study tour participants, costs associated with securing the services of trainers, rental of training and workshop facilities, preparation and reproduction of training and workshop materials, and other costs directly related to training course, workshop or study tour preparation and implementation (but excluding the costs of consulting services).