MIDDLE EAST AND NORTH AFRICA
TRANSITION FUND

Grant Agreement

(Accessing Overseas Employment Opportunities for Moroccan Youth Project)

between

INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT AND INTERNATIONAL DEVELOPMENT
ASSOCIATION

acting as Implementation Support Agency for the Middle East and North Africa
Transition Fund

and

Agence Nationale de Promotion de l’Emploi et des Compétences

Dated April 14, 2015
MIDDLE EAST AND NORTH AFRICA TRANSITION FUND
GRANT AGREEMENT

AGREEMENT dated April 14, 2015, entered into between: INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT AND INTERNATIONAL DEVELOPMENT ASSOCIATION ("World Bank"), acting as Implementation Support Agency (ISA) for the Middle East and North Africa Transition Fund (the "Trust Fund"); and Agence Nationale de Promotion de l'Emploi et des Compétences ("Recipient").

The World Bank and the Recipient hereby agree as follows:

Article I
Standard Conditions; Definitions

1.01. The Standard Conditions for Grants Made by the World Bank Out of Various Funds, dated February 15, 2012 ("Standard Conditions"), with the modifications set forth in Appendix 2 to this 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 Standard Conditions or in this Agreement.

Article II
The Project

2.01. The Recipient declares its commitment to the objectives of the project described in Schedule 1 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. The Recipient 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 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 equal to one million five hundred fifty thousand United States Dollars ($1,550,000) ("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 above-mentioned Trust Fund for which the World Bank receives periodic contributions from the Trustee of the Trust Fund, in accordance with the Financial Procedures Agreement (FPA) between the International Bank for Reconstruction and Development and International Development Association, as Implementation Support Agency (ISA), and the International Bank for Reconstruction and Development, as Trustee, dated November 21, 2012, concerning 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 Trustee under the abovementioned Trust Fund, in accordance with the FPA, and the Recipient's right to withdraw the Grant proceeds is subject to the availability of such funds.

Article IV
Recipient's Representative; Addresses

4.01. The Recipient's Representative referred to in Section 7.02 of the Standard Conditions is its Director General.

4.02. The Recipient's Address referred to in Section 7.01 of the Standard Conditions is:

Agence Nationale de Promotion de l'Emploi et des Compétences
4 Lotissement La Colline, entrée B
BP 188, Sidi Maârouf
20190 - Casablanca, Kingdom of Morocco

Facsimile: 212 (0)522 786 134

4.03. The World Bank's Address referred to in Section 7.01 of the Standard Conditions is:

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

Cable: INTBAFRAD
       Washington, D.C.

Telex: 248423 (MCI) or 64145 (MCI)

Facsimile: 1-202-477-6391

AGREED at Rabat, Kingdom of Morocco, as of the day and year first above written.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT AND INTERNATIONAL DEVELOPMENT ASSOCIATION
acting as Implementation Support Agency of the Transition Fund

By

[Signature]
Authorized Representative
Name: Michael Hamaide
Title: Senior Country Officer

AGENCE NATIONALE DE PROMOTION DE L'EMPLOI ET DES COMPÉTENCES

By

[Signature]
Authorized Representative
Name: Anass Doukkali
Title: Directeur Général
SCHEDULE 1

Project Description

The objective of the Project is to strengthen institutional capacity to pilot the reform of international labor intermediation services in Morocco and better prepare the Moroccan workforce for greater integration with international labor markets.

The Project consists of the following parts:

Part 1: Institutional capacity building for the selection and preparation of overseas employment candidates

A. Pre-selection of candidates. Provision of technical assistance and Training for activities related to: (i) the pre-selection of up to 105 Beneficiaries for a professional apprenticeship in the tourism/hospitality sector in Germany; (ii) the information of the Beneficiaries on the professional apprenticeship program such activities to include: strengthening the procedures (including the selection criteria) for the pre-selection of the Beneficiaries, implementing such procedures and designing and implementing a communication strategy regarding such procedures.

B. Pre-departure training for the Beneficiaries. Provision of technical assistance, training and Training for activities related to the preparation of the Beneficiaries for their apprenticeship in Germany, such activities to include the design and implementation of an intensive language and intercultural training course for the Beneficiaries, including a module on expectation management.

C. Assistance to the Beneficiaries upon departure and integration support. Financing the Beneficiaries’ travel-related expenses and other administrative, logistical expenses related to the migration process from Morocco to Germany, and provision of technical assistance and workshops in Germany to support the integration of the Beneficiaries in the companies where they will do their professional apprenticeship.

Part 2: Developing sustainable partnerships between public and private actors within and across borders for job placement, and Project implementation support

A. Developing sustainable partnerships between public and private actors within and across borders for job placement. Provision of technical assistance for:

   (i) Strengthening the capacity of the Recipient and MESA decision makers to acquire a detailed understanding of the legal framework and administrative schemes in place in Germany for the admission of foreign workers at different skill levels;
(ii) preparing a job placement strategy for employment of Moroccan workers in the German market; and

(iii) organizing targeted consultations with employers' federations and other relevant private and public players in Germany for long term employment opportunities for Moroccan workers.

B. Project implementation support. Provision of technical assistance to the Recipient for Project implementation, including Project management, financial monitoring and audit.
SCHEDULE 2

Project Execution

Section I. Institutional and Other Arrangements

A. Institutional and other Arrangements

1. The Recipient shall maintain throughout the implementation of the Project the Project Implementation Unit with qualified staff and adequate resources satisfactory to the World Bank, to be responsible for the implementation of the Project. With respect to Parts 1 and 2.A of the Project, the Project Implementation Unit shall be assisted by the Supporting Agency.

2. Without limitations upon the foregoing, the Project Implementation Unit shall work in close coordination with MESA and the MEF throughout Project implementation.

3. Not later than three (3) months after the date of this Agreement, the Recipient shall recruit the Supporting Agency, and a financial management specialist and a procurement specialist to support the relevant focal points in the Project Implementation Unit, all in compliance with the provisions of Section III.C. of Schedule 2 to this Agreement.

4. Without any limitation to the provisions of Section 3.06 of the Standard Conditions, the Recipient shall take appropriate measures to utilize the Grant funds exclusively for their intended purposes and in a manner that enables the World Bank to fulfill its obligations under the FPA, in particular under Section 4 of the FPA.

B. 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 (“Anti-Corruption Guidelines”).

Section II. Project Monitoring, Reporting and Evaluation

A. 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 six (6) months after the Closing Date.

B. 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 not later than forty-five (45) days after the end of each calendar semester, covering the semester, in form and substance satisfactory to the World Bank.

3. The Recipient shall have its Financial Statements for the Project audited in accordance with the provisions of Section 2.07 (b) of the Standard Conditions. Each such audit of the Financial Statements shall cover the period of one fiscal year of the Recipient. The audited Financial Statements for each such period shall be furnished to the World Bank not later than six (6) months after the end of such period.

C. Other Reports

Without any limitation to the provisions of Section II.A and Section II.B of this Schedule 2, the Recipient shall, promptly upon request from the World Bank, provide all information and reports relating to the Project and the use of the proceeds of the Grant, in order to enable the World Bank to fulfill its obligations under the FPA.

Section III. Procurement

A. General

1. Procurement and Consultant Guidelines. All goods, non-consulting services and consultants’ 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:

(a) Section I of the "Guidelines: Procurement of Goods, Works and Non-consulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers" dated January 2011 and revised in July 2014 ("Procurement Guidelines") in the case of goods and non-consulting...
services, and Sections I and IV of the “Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011 and revised in July 2014 ("Consultant Guidelines") in the case of consultants’ services; and the provisions of this Section III, as the same shall be elaborated in the procurement plan prepared and updated from time to time by the Recipient for the Project in accordance with paragraph 1.25 of the Consultant Guidelines ("Procurement Plan").

2. Definitions. The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the World Bank of particular contracts, refer to the corresponding method described in Sections II, III, IV and V of the Consultant Guidelines.

B. Particular Methods of Procurement of Goods and Non-Consulting Services

The following methods may be used for procurement of goods and non-consulting services for those contracts specified in the Procurement Plan: (a) Shopping and (b) Direct Contracting.

C. Particular Methods of Procurement of Consultants’ Services

1. Quality- and Cost-based Selection. Except as otherwise provided in paragraph 2 below, consultants' services shall be procured under contracts awarded on the basis of Quality- and Cost-based Selection.

2. Other Methods of Procurement of Consultants’ Services. The following methods, other than Quality- and Cost-based Selection, may be used for procurement of consultants’ services for those assignments which are specified in the Procurement Plan: (a) Selection based on Consultants’ Qualifications; (b) Single-source Selection of consulting firms; (c) Selection of Individual Consultants; and (d) Single-source procedures for the Selection of Individual Consultants.

D. Review by the World Bank of Procurement Decisions

The Procurement Plan shall set forth those contracts which shall be subject to the World Bank’s Prior Review. All other contracts shall be subject to Post Review by 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 “World Bank Disbursement Guidelines for Projects” dated May 2006, 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, non-consulting services, consultants’ services, Training and Operating Costs under the Project</td>
<td>1,550,000</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>1,550,000</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 October 31, 2018.
APPENDIX 1
Definitions

1. “Agence Nationale de Promotion de l’Emploi et des Compétences” or “ANAPEC” means the national agency for employment and competencies established pursuant to Law No. 51-99 dated June 5, 2000, for the purpose of identifying employment opportunities for Moroccan job seekers.


3. “Beneficiaries” means young adults in the Project Area (hereafter defined) who meet the selection criteria established under Part I.A of the Project, for participation in a professional apprenticeship in the tourism/hospitality sector in Germany.

4. “MEF” or “Ministry of Economy and Finance” means the Kingdom of Morocco’s ministry in charge of economy and finance or any successor thereto.

5. “MESA” or “Ministry of Employment and Social Affairs” means the Kingdom of Morocco’s ministry in charge of employment and social affairs or any successor thereof.

6. “Operating Costs” means the reasonable costs, which shall have been agreed by the World Bank for the incremental expenses incurred by the Project Implementation Unit on account of Project implementation, consisting of: vehicle operation and maintenance, communication and insurance costs, audit, banking charges, rental expenses, office (and office equipment) maintenance, utilities, training materials, document duplication/printing, consumables, travel cost and per diem for Project staff for travel linked to the implementation of the Project, per diem to Beneficiaries, and salaries of contractual staff for the Project (but excluding regular salaries of officials of the Kingdom of Morocco’s civil service).


8. “Project Implementation Unit” or “PIU” means the unit established by the Recipient pursuant to the letter ANAPEC/DMCC/DCRI/SC/No.159/2014 dated December 8, 2014 from the General Director of the Recipient, and referred to in Section I.A of Schedule 2 to this Agreement.
9. "Procurement Plan" means the Recipient’s procurement plan for the Project, dated February 2, 2015 and referred to in paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.


11. "Steering Committee" or "SC" means the Trust Fund’s decision making body as described in the Transition Fund Operations Manual.

12. "Supporting Agency" means the agency which shall assist the Project Implementation Unit to implement Parts 1 and 2.A of the Project, and referred to in Section I.A.1 of Schedule 2 to this Agreement.

13. "Training" means the reasonable costs which shall have been agreed by the World Bank for the training and workshops, including tuition, travel and subsistence costs for training and workshop participants, costs associated with securing the services of trainers and workshop speakers, rental of training and workshop facilities, preparation and reproduction of training and workshop materials, and other costs directly related to training course and workshop preparation and implementation.

14. "Transition Fund Operations Manual" means the Manual approved by the Steering Committee, which sets out the detailed procedures applicable to the operation of the Transition Fund, as said Manual may be amended from time to time by the Steering Committee in accordance with procedures set out in the said Manual.

15. "Trustee" means the International Bank for Reconstruction and Development in its capacity as trustee of the Trust Fund.
APPENDIX 2
 Modifications to the Standard Conditions

The Standard Conditions are modified as follows:

The first sentence of Section 4.05(a) of the Standard Conditions has been revised as follows: “If the World Bank or the SC (as defined in the Grant Agreement) determines or an audit conducted under the FPA (as defined in the Grant Agreement) indicates that an amount of the Grant has been used in a manner inconsistent with any provision of the Grant Agreement, the Standard Conditions, or the FPA, the Recipient shall, upon notice by the World Bank to the Recipient, promptly refund such amount to the World Bank.”