Mr. Sibtain Fazal Halim  
Secretary  
Economic Affairs Division  
Government of Pakistan  
Islamabad  
Islamic Republic of Pakistan  

Mr. Mohammad Ishaq Lashari  
Chief Secretary of Sindh  
Government of Sindh  
Karachi  
Islamic Republic of Pakistan  

Re: Pakistan: JSDF Grant for Emergency Job Training for Vulnerable Youth  
Grant No. TF097919  

Dear Mr. Halim and Mr. Lashari:  

In response to the request for financial assistance made by the Islamic Republic of Pakistan (the “Recipient”) on behalf of the Province of Sindh (“Sindh” or the “Project Implementing Entity”), I am pleased to inform you that the International Development Association (the “World Bank”), as administrator of grant funds provided by Japan under the Japan Social Development Fund (“JSDF”), proposes to extend to the Recipient a grant in an amount not to exceed two million seven hundred fifty-five thousand United States Dollars (US$2,755,000) (“Grant”) on the terms and conditions set forth or referred to in this letter agreement (the “Agreement”), which includes the attached Annex, to assist in the financing of the project described in the Annex (“Project”). This Grant is funded out of the JSDF for which the World Bank receives periodic contributions. In accordance with Section 3.02 of the Standard Conditions (as defined in the Annex to this Agreement), the Recipient may withdraw the Grant proceeds subject to the availability of such funds.  

The Recipient and Sindh represent, by confirming their agreement below, that they are 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.  

Please confirm the Recipient’s and Sindh’s agreement with the foregoing by having authorized officials of the Recipient and Sindh sign and date the enclosed copies of this Agreement, and returning one of them to the World Bank. Upon receipt by the World Bank of the countersigned copy, this Agreement shall become effective as of the date of the countersignature; provided, however, that the offer of this Agreement shall be deemed withdrawn if the World Bank has not received a copy of this Agreement duly countersigned by
both the Recipient and Sindh within thirty (30) days as of the date of this Agreement, unless the World Bank shall have established a later date for such purpose.

Very truly yours,

INTERNATIONAL DEVELOPMENT ASSOCIATION

By/s/ Rachid Benmessaoud
Country Director, Pakistan

AGREED on behalf of the:
ISLAMIC REPUBLIC OF PAKISTAN

By/s/ Abdul Wajid Rana
Secretary
Economic Affairs Division
Government of Pakistan
Islamabad

AGREED on behalf of the:
PROVINCE OF SINDH, PAKISTAN

By/s/ Muhammad Ishaque Lashhari
Additional Chief Secretary (Dev)
Planning & Development Department
Enclosures:

(1) Standard Conditions for Grants Made by the World Bank Out of Various Funds, dated July 31, 2010

Article I
Standard Conditions; Definitions

1.01. **Standard Conditions.** The Standard Conditions for Grants Made by the World Bank Out of Various Funds dated July 31, 2010 (the “Standard Conditions”), constitute an integral part of this Agreement. For purposes of this Grant, all references in the Standard Conditions to both the Grant Agreement and the Implementation Agreement shall be deemed references to this Agreement.

1.02. **Definitions.** 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 as follow:

1. “BBSYDP” means the Benazir Bhutto Shaheed Youth Development Program established under Secretariat of the Chief Minister of Sindh in accordance with the notification No.SO(CIV)SGA&CD/11-3/08.

2. “Beneficiaries” means the vulnerable youth from socially and economically disadvantaged groups in Sindh, who are eligible and have been enrolled in a training program under the Project and receive stipends/relocation allowance out of the proceeds of the Grant as per specific eligibility criteria set forth in the Operations Manual.

3. “Job Placement Service Providers” means the duly qualified persons or entities that have entered into service contracts or Sub-grant Agreements with the Sindh to provide professional job placement services to the Beneficiaries under the Project.

4. “Operating Costs” means operating costs required for the Project including consumable materials and supplies, office administration and rental costs, communications, mass media and printing services, vehicle rental, operation and maintenance, charges for the opening and operation of bank accounts required for the Project, travel, lodging and per diems and workshops to disseminate results but excluding salaries of officials of Sindh’s civil service.

5. “Operations Manual” means the Project Implementing Entity’s BBSYDP General Guidelines (Version-IV), dated August 1, 2010 and the respective implementation plan, setting forth, *inter alia*, the procedures governing the operations of the Project, including reporting, monitoring and accounting procedures, terms of references and selection criteria for the engagement of Training Provider and Job-Placement Service Providers and, if applicable, procedures for the payment of Sub-grants, as well as the procedures and eligibility criteria for the selection of Beneficiaries and the defrayment of Stipends/Relocation Allowances therefore, as said guidelines and implementation plan may be amended from time to time with the approval of the World Bank.

6. “P&DD” means the Planning and Development Department of Sindh, and/or any successor thereto.

7. “STEVTA” means the Sindh Technical and Vocational Education and Training Authority established under the Planning & Development Department of Sindh pursuant to the STEVTA Act 2009 (Sindh Act No. VIII of 2010).

8. “Stipends/Relocation Allowances” mean, collectively, the payments made on a monthly basis by BBSYDP through the Training Providers and Job Place Service Providers to Beneficiaries in the amount of approximately: (i) Pakistan Rupees two thousand five hundred (PKR 2,500) per
individual, subject to such person’s enrolment and attendance of training courses granted by either Training Providers and Job Place Service Providers; and (ii) and additional of Pakistan Rupees four thousand (PKR 4,000) per individual for those Beneficiaries that need to relocate more than 75 kilometers approx. from their hometown in order to attend such training courses. The aforementioned amounts may be revised from time to time by the Project Implementing Entity with the prior concurrence of the World Bank.

9. “Sub-grants” means the grants that may be made available by the Project Implementing Entity though BBSYDP to public Training Providers and/or Job Placement Service Providers that are not eligible to bid under the Procurement Guidelines (as defined in Section 2.07(a)(i) of this Annex) but are selected pursuant to Section 2.03(c).1, such grants to be paid out of the proceeds of the Grant subject to the Training Providers and/or Job Placement Service Provider’s delivery of training programs and/or professional job placement services to Beneficiaries in accordance with quality standards set forth in the Sub-Grant Agreements.

10. “Sub-grant Agreements” means the performance-based agreements for the provision of Sub-grants, entered into between the Project Implementing Entity and a public Training Provider and/or between the Project Implementing Entity and a public Job Placement Service Provider, as the case may be, provided that such Training Provider or Job Placement Service Provider is ineligible to bid under the Procurement Guidelines, such performance-based agreement to be entered in accordance with terms and conditions satisfactory to the World Bank, including those set forth in Section 2.03(c).2 to this Agreement.

11. “Training Providers” means the duly qualified persons or entities that have entered into Sub-grant Agreements or service contracts with the Project Implementing Entity to impart vocational training to the Beneficiaries under the Project.

**Article II**

**Project Execution**

2.01. **Project Objectives and Description.** The objective of the Project is to provide emergency job training to up to 5,050 crisis-affected vulnerable youth living in urban and rural areas of Sindh through an innovative short-term training program that includes job placement support to help find employment and earn income.

The Project consists of the following parts:

**Part A: Emergency Training to Vulnerable Youth**

(i) **Targeted Stipends/Relocation Allowances Program**

Provision of financial assistance in the form of Stipends/Relocation Allowances to Beneficiaries to create learning opportunities and improve access to training and jobs. The stipend program will enable the marginalized youth of Sindh who are unable to pay fees for training programs to receive useful training and hone their skills for better employment prospects in specific trades, professions and industries.

(ii) **Provision of Training**

(a) Provision quality vocational training to Beneficiaries through competent and dedicated Training Providers.

(b) **Implementation support to Sindh to determine performance criteria applicable to Training Providers and to manage/enforce the respective service contracts or Sub-grant Agreements,** as the case may be.

☑ Telephone: (92 51) 2279641-9 ☑ FAX (92 51) 2279648-9
(iii) Provision of Job Placement Services

(a) Provision of quality assistance to Beneficiaries from competent and dedicated Job Placement Service Providers in order to find jobs and/or develop opportunities for self-employment.

(b) Implementation support to Sindh to determine performance criteria applicable to Job Placement Providers and to manage/enforce the respective service contracts or Sub-grant Agreements, as the case may be.

Part B: Monitoring and Evaluation and Grant Implementation

(a) Implementation support to Sindh to monitor and evaluate the training programs under the Project including the carrying out an independent third party evaluation to assess the targeted stipend program in terms of: (a) benefiting marginalized youth of Sindh; (b) enrollment and learning outcomes; and (c) the implications for scaling up the Project.

(b) Support the implementation, monitoring and evaluation of activities under the Project.

2.02. Project Execution Generally. The Recipient and Sindh declare their commitment to the objectives of the Project. To this end, the Recipient shall cause Sindh, and Sindh undertakes, to carry out the Project through the BBSYDP in accordance with: (a) the provisions of Article II of the Standard Conditions; (b) the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006 (“Anti-Corruption Guidelines”) with the modifications set forth in Section I of the Appendix to this Agreement; (c) the Operations Manual; and (d) this Article II.

2.03. Institutional and Other Arrangements.

(a) On-Lending Arrangements

1. To facilitate the carrying out of the Project, the Recipient shall make the proceeds of the Grant available to Sindh in accordance with the provisions of this Agreement and the Recipient’s on-lending policies and budgetary procedures, and under financial terms and conditions identical to those provided for under this Agreement.

2. Notwithstanding paragraph (1) above, in the event that any of the provisions of this Agreement, including the instructions that the World Bank shall have specified by notice to the Recipient pursuant to Section 3.01 of this Annex to the Agreement, were inconsistent with the budgetary procedures of the Recipient, the provisions of this Agreement shall govern.

(b) Institutional Arrangements

1. The Recipient shall cause Sindh, and Sindh undertakes, to vest the responsibility for overall implementation of the Project in P&DD, which shall delegate all day-to-day implementation to the BBSYDP.

2. The Recipient shall cause Sindh, and Sindh undertakes, to maintain throughout the implementation of the Project the Sindh Skills Development Leadership Team, chaired by the Additional Chief Secretary who heads the P&DD with representation from the heads of BBSYDP and STEVTA and any other relevant official that the chair considers necessary, which will provide strategic policy guidance and oversight of the Project.

3. The Recipient shall cause Sindh, and Sindh undertakes, to ensure that BBSYDP shall be granted, throughout the period of Project implementation, all the powers, functions and...
authorities necessary to perform its responsibilities regarding the day-to-day fiduciary aspects of the Project including the Project’s financial management, procurement of goods and services, disbursement and audit functions.

4. The Recipient shall cause Sindh, and Sindh undertakes, to ensure that the identification and verification of Beneficiaries, payment of Stipends/Relocation Allowances to such Beneficiaries, monitoring of such payments, and related activities under the Project shall be implemented in accordance with the principles, criteria, procedures and other provisions set forth in the Operations Manual.

6. The Recipient shall cause Sindh, and Sindh undertakes, to ensure that payments shall not be made to each Beneficiary of a Stipends/Relocation Allowances unless: (i) the Beneficiary has opened a bank account on terms and conditions acceptable to the World Bank and/or Sindh has implemented alternative payment methods acceptable to the World Bank; and (ii) complied with/maintained the eligibility requirements set forth in the Operations Manual.

7. The Recipient shall cause Sindh, and Sindh undertakes, to ensure that the Stipends/Relocation Allowances will be disbursed by BBSYDP to the Beneficiaries in a timely manner.

8. The Recipient shall cause Sindh, and Sindh undertakes, to ensure that all Project related documents including but not limited to: (i) the Operations Manual; (ii) the minutes of the meetings of the Sindh Skills Development Leadership Team; (iii) the list of all Beneficiaries; (iv) the list of all Training Providers and Job Placement Service Providers; (v) the performance monitoring indicators; and (vi) the financial audit reports for the Project, are made available and publicly accessible at the website of BBSYDP (www.bbsydpssindh.gov.pk).

(c) Sub-grants to Training Providers and Job Place Service Providers

1. The Recipient shall cause Sindh to, and Sindh, through BBSYDP will, call for proposals from public Training Providers and public Job Place Service Providers ineligible to bid under the Procurement Guidelines for the provision of sub-grants for the provision of training to eligible Beneficiaries. BBSYDP will review and evaluate such proposals in a manner and substance satisfactory to the World Bank, pursuant to the selection criteria previously agreed with the World Bank and set forth in the Operations Manual which shall include that the proposal: (i) be deemed technically feasible and cost-effective; (ii) be designed in accordance with appropriate business standards; and (iii) have obtained the non-objection of the World Bank.

2. Each Sub-grant shall be made by the Sindh, through a Sub-grant Agreement to be entered by BBSYDP with the selected Training Provider and/or the Job Place Service Provider, as the case may be, under terms and conditions satisfactory to the World Bank and adequate to protect the interest of the World Bank and the Recipient, including the right, as applicable, to:

(A) require the Training Provider and/or Job Placement Service Provider to carry out services and activities under the Project with due diligence and efficiency, in accordance with sound technical, financial and managerial standards, and pursuant to the social and other principles, measures, procedures and guidelines set out in the Operations Manual

(B) require the Training Provider and/or Job Placement Service Provider to maintain policies, procedures and records adequate to enable the Training Provider and/or
Job Placement Service Provider to monitor and evaluate on an ongoing basis, in accordance with indicators satisfactory to the World Bank, the carrying out of the services and activities under the Project and the achievement of the objectives thereof;

(C) obtain all such information as the World Bank, the Recipient and/or Sindh shall reasonably request relating to the foregoing and to the benefits to be derived from the services and activities under the Project;

(D) require that: (i) the good and services to be financed out of the proceeds of the Sub-grant shall be procured in accordance with the provisions of Section 2.06 of this Agreement; and (ii) such goods and services shall be used exclusively in the carrying out of the services and activities under the Project;

(E) inspect, by itself or through representatives of the World Bank, whether jointly or separately, randomly or unannounced, as the World Bank shall request from time to time, any relevant sites, records and documents related to the services provided in accordance with the Sub-Grant Agreement; and

(F) suspend or terminate the right of the Training Provider and/or Job Placement Service Provider to use the proceeds of the Sub-grant upon failure by the Training Provider and/or Job Placement Service Provider to perform its obligations under the Sub-grant Agreement.

2.04. Donor Visibility and Visit. (a) The Recipient and Sindh shall take or cause to be taken all such measures as the World Bank may reasonably request to identify publicly the Donor's support for the Project.

(b) For the purposes of Section 2.09 of the Standard Conditions, the Recipient and Sindh shall, upon the World Bank's request, enable the representatives of the Donor to visit any part of the Recipient's territory for purposes related to the Project.

2.05. Project Monitoring, Reporting and Evaluation.

(a) The Recipient and Sindh shall monitor and evaluate the progress of the Project and, upon the World Bank's request, prepare Project Reports, in accordance with the provisions of Section 2.06 of the Standard Conditions and on the basis of the indicators set forth below in paragraph (b) of this Section. Each Project Report shall cover such period as shall be indicated in the World Bank's request and shall be furnished to the World Bank not later than one month after the date of such request.

(b) The performance indicators referred to above in paragraph (a), which are expected to be achieved at the completion of the Project consist of the following:

1. 5,050 Beneficiaries completing training under the Project;

2. 35% employment rate of Beneficiaries within 3 months of the end of training received under the Project; and

3. 40% of the Beneficiaries to be female.

(c) The Recipient and Sindh 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 months after the Closing Date. In order to assist the Recipient and Sindh in
preparing the Completion Report, Sindh shall employ consultants whose qualifications, experience and terms of reference are acceptable to the World Bank.

2.06. Financial Management. (a) The Recipient and Sindh shall ensure that a financial management system is maintained in accordance with the provisions of Section 2.07 of the Standard Conditions.

(b) The Recipient and Sindh 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 quarter, covering the quarter, in form and substance satisfactory to the World Bank.

(c) The Recipient and Sindh shall upon the World Bank’s request, 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 (1) fiscal year of the Recipient and Sindh. 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.

2.07. Procurement.

(a) General. All goods and 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:

(i) Section I of the “Guidelines: Procurement under IBRD Loans and IDA Credits” published by the World Bank in May 2004 and revised in October 2006 and May 2010 (“Procurement Guidelines”), in the case of goods;

(ii) Sections I and IV of the “Guidelines: Selection and Employment of Consultants by World Bank Borrowers” published by the World Bank in May 2004 and revised in October 2006 and May 2010 (“Consultant Guidelines”), in the case of consultants’ services; and

(iii) the provisions of this Section, as the same shall be elaborated in the procurement plan dated June 7, 2010 prepared and updated from time to time by Sindh for the Project in accordance with paragraph 1.16 of the Procurement Guidelines and paragraph 1.24 of the Consultant Guidelines (“Procurement Plan”).

(b) Definitions. The capitalized terms used in the following paragraphs of 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 the Procurement Guidelines, or the Consultant Guidelines, as the case may be.

(c) Particular Methods of Procurement of Goods

(i) Except as otherwise provided in sub-paragraph (ii) below, goods shall be procured under contracts awarded on the basis of International Competitive Bidding.

(ii) The following methods, other than International Competitive Bidding, may be used for procurement of goods for those contracts specified in the Procurement Plan which the World Bank agrees meet the requirements set forth in the Procurement Guidelines for their use: Shopping.

(d) Particular Methods of Procurement of Consultants’ Services

(i) Except as otherwise provided in sub-paragraph (ii) below, consultants’ services shall be procured under contracts awarded on the basis of Quality- and Cost-based Selection.
(ii) The following methods may be used for the procurement of consultants' services for those assignments which are specified in the Procurement Plan: (A) Quality-based Selection; (B) Single-source Selection; (C) Least-cost Selection; (D) Selection based on Consultants' Qualifications; and (E) Selection of Individual Consultants.

(e) Review by the World Bank of Procurement Decisions. Except as the World Bank shall otherwise determine by notice to the Recipient and Sindh, the following contracts shall be subject to Prior Review by the World Bank: (a) each contract for consultants' services provided by a firm estimated to cost the equivalent of $100,000 or more; (b) each contract for consultants' services provided by an individual estimated to cost the equivalent of $20,000 or more; and (c) each contract for consultants' services procured on the basis of Single-Source Selection regardless of value. All other contracts shall be subject to Post Review by the World Bank.

Article III
Withdrawal of Grant Proceeds

3.01. Eligible Expenditures. 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 following table. The 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 U.S. $)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Stipends/Relocation Allowances</td>
<td>997,040</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Sub-grants and/or service fees to Training Providers</td>
<td>1,287,500</td>
<td>100%</td>
</tr>
<tr>
<td>(3) Sub-grants and/or service fees to Job Placement Service Providers</td>
<td>314,150</td>
<td>100%</td>
</tr>
<tr>
<td>(4) Consultants’ Services</td>
<td>140,000</td>
<td>100%</td>
</tr>
<tr>
<td>(5) Goods</td>
<td>6,000</td>
<td>100%</td>
</tr>
<tr>
<td>(6) Operating Costs</td>
<td>10,310</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>2,755,000</td>
<td></td>
</tr>
</tbody>
</table>
3.02. **Withdrawal Conditions.** Notwithstanding the provisions of Section 3.01 of this Agreement, no withdrawal shall be made for payments made prior to latest of the dates of countersignature of this Agreement by the Recipient and Sindh, except that withdrawals up to an aggregate amount not to exceed the equivalent of one hundred thousand United States dollars (US$100,000) may be made for payments made prior to the latest of the above referred dates, but on or after October 1, 2010, for Eligible Expenditures under any of the foregoing Categories.

3.03. **Withdrawal Period.** The Closing Date referred to in Section 3.06 (c) of the Standard Conditions is June 1, 2012 or any other date that the World Bank may communicate in writing to the Recipient.

**Article IV**

**Recipient’s Representative; Addresses**

4.01. **Recipient’s Representative.** The Recipient’s Representative referred to in Section 7.02 of the Standard Conditions is the Secretary of the Economic Affairs Division, and/or any of the Additional Secretary, Joint Secretary, Deputy Secretary or Section Officer in that Division, acting individually. The Project Implementing Entity’s representative referred to in Section 7.02 of the Standard Conditions is Sindh’s Secretary of Finance.

4.02. **Recipient’s Address.** The Recipient’s Address and the Project Implementing Entity’s Address referred to in Section 7.01 of the Standard Conditions is:

The Secretary  
Economic Affairs Division  
Government of Pakistan  
Islamic Republic of Pakistan  
Islamabad,  
Tel: 92-51-921-2769  
Fax: 92-51-921-8976

Provincial Coordinator  
Benazir Bhutto Shaheed Youth Development Program  
3rd Floor, State Life Building No. 3  
Dr. Ziauddin Ahmed Road  
Karachi  
Tel: 92-21-99201007  
Fax: 92-21-99201004

4.03. **World Bank’s Address.** 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

Cable: INTBAFRAD  
Tel: (202) 473-1000  
Facsimile:  
INDEVAS  
248423 (MCI) or  
Washington, D.C. 64145 (MCI)

Telephone: (92 51) 2279641-6  FAX (92 51) 2279648-9
APPENDIX

Modifications to the Anti-Corruption Guidelines

Section I. The modifications to the Anti-Corruption Guidelines are as follows:

1. Section 5 is re-numbered as Section 5(a) and a new Section 5(b) is added to read as follows:

"...(b) These Guidelines also provide for the sanctions and related actions to be imposed by the Bank on Borrowers (other than the Member Country) and all other individuals or entities who are recipients of Loan proceeds, in the event that the Borrower or the individual or entity has been debarred by another financier as a result of a determination by such financier that the Borrower or the individual or entity has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of a financing made by such financier."

2. Section 11(a) is modified to read as follows:

"... (a) sanction in accordance with prevailing Bank’s sanctions policies and procedures (fn13) a Borrower (other than a Member Country) (fn 14) or an individual or entity, including (but not limited to) declaring such Borrower, individual or entity ineligible publicly, either indefinitely or for a stated period of time: (i) to be awarded a Bank-financed contract; (ii) to benefit from a Bank-financed contract, financially or otherwise, for example as a sub-contractor; and (iii) to otherwise participate in the preparation or implementation of the project or any other project financed, in whole or in part, by the Bank, if at any time the Bank determines (fn 15) that such Borrower, individual or entity has engaged in corrupt, fraudulent, coercive or obstructive practices in connection with the use of loan proceeds, or if another financier with which the Bank has entered into an agreement for the mutual enforcement of debarment decisions has declared such person or entity ineligible to receive proceeds of financings made by such financier or otherwise to participate in the preparation or implementation of any project financed in whole or in part by such financier as a result of a determination by such financier that the Borrower or the individual or entity has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of a financing made by such financier."

Footnotes:

"13. An individual or entity may be declared ineligible to be awarded a Bank financed contract upon completion of sanctions proceedings pursuant to the Bank’s sanctions policies and procedures, or under the procedures of temporary suspension or early temporary suspension in connection with an ongoing sanctions proceeding, or following a sanction by another financier with whom the Bank has entered into a cross-debarment agreement, as a result of a determination by such financier that the firm or individual has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of a financing made by such financier."

"14. Member Country includes officials and employees of the national government or of any of its political or administrative subdivisions, and government owned enterprises and agencies that are not eligible to bid under paragraph 1.8(b) of the Procurement Guidelines or participate under paragraph 1.11(c) of the Consultant Guidelines."

"15. The Bank has established a Sanctions Board, and related procedures, for the purpose of making such determinations. The procedures of the Sanctions Board sets forth the full set of sanctions available to the Bank. In addition, the Bank has adopted an internal protocol outlining the process to be followed in implementing debarments by other financiers, and explaining how cross-debarments will be posted on the Bank’s website and otherwise be made known to staff and other stakeholders."

Telephone: (92 51) 2279641-8  FAX (92 51) 2279648-9