Mrs Piera Gioda
Chairwoman
Comunita Impegno Servizio Volontariato (CISV)
Corso Chieri 121/6
10132 Torino
Italy

Re: CHYAO Africa Grant No. TF096421
SENEGAL: Struggling against Vulnerability of Children and Youth

Dear Madam:

In response to the request for financial assistance made on behalf of Comunita Impegno Servizio Volontariato (CISV) ("Recipient"), I am pleased to inform you that the International Development Association ("World Bank"), acting as administrator of grant funds provided by Italy under the Trust Fund for Children and Youth in Africa ("CHYAO Africa"), proposes to extend to the Recipient for the benefit of the Republic of Senegal a grant in an amount not to exceed one million five hundred seventeen thousand and thirty two United States Dollars (US$1,517,032) ("Grant") on the terms and conditions set forth or referred to in this letter agreement ("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 abovementioned trust fund 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 represents, by confirming its agreement below, 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.

Please confirm the Recipient’s agreement to the foregoing by having an authorized official of the Recipient sign and date the enclosed copy of this Agreement, and returning it to the World Bank. Upon receipt by the World Bank of this countersigned copy, this Agreement shall
only become effective as of the date specified by the World Bank in accordance with Article IV of the Annex to this Agreement (“Effective date”).

Very truly yours,
INTERNATIONAL DEVELOPMENT ASSOCIATION

By /s/ Habib Fetini
Country Director for Senegal
Africa Region

AGREED:

CISV

By/s/ Piera Gioda Date: January 19, 2011
Authorized Representative

Enclosures:

(2) Disbursement Letter of even date herewith together with “World Bank Disbursement Guidelines for Projects”, dated May 1, 2006
(3) Guidelines: “Procurement under IBRD Loans and IDA Credits”, published by the Bank in May 2004 and revised in October 2006 and May 2010
(4) Guidelines: “Selection and Employment of Consultants by World Bank Borrowers”, dated May 2004 and revised in October 2006 and May 2010
(5) Guidelines on “Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006
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 (“Standard Conditions”) constitute an integral part of 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, and the following term has the following meaning:

(i) “Implementing Partners” means Association for the Rural Cooperation in Africa and Latin America (ACRA), Cooperazione per il Mondo In via di sviluppo (COMI) and Comunita, Promozione e Sviluppo (CPS), all international non-governmental organizations (NGOs) operating pursuant to the laws of the Republic of Senegal and selected to implement Activities under the Project based on their strong field presence in the respective departments and solid track record in youth related programs.

(ii) “Memorandum of Understanding” means the memorandum of understanding signed among the Recipient and the Implementing Partners regarding partnership principles for the implementation of the Project, and including technical, environmental, administrative, financial, and disbursement arrangements.

(iii) “RONGIES” means Réseau des ONG Italiennes pour l’Enfance au Sénégal, a consortium composed of representatives of the Recipient and each of the Implementing Partners.

Article II

Project Execution

2.01. **Project Objectives and Description.** The objective of the Project is to contribute to the reduction of vulnerability of children and youth at risk in the departments of Kaffrine, Mbour, Fatick, Saint Louis, and Louga by promoting socio-economic support activities in partnership with local agencies.

The Project consists of the following parts:

**Part A: Awareness Activities**

Carrying out communication activities to inform and raise awareness in communities and government, at the national and department level, on the risks related to the exploitation of children, including: (i) conducting training sessions on children’s right for the staff of the
Project at the national level and civil society at the department level; (ii) production of informative leaflets on the Project; (iii) organization of a theater contest, and, from the winning play, production of a short movie aimed at fighting against children’s exploitation in Senegal; (iv) organization of an awareness raising caravan and awareness campaigns at the department level; and (v) undertaking national mobilization for the Day of the African Child.

Part B: Socio-economic Support

Support to most vulnerable children and youth through socio-economic support at the department level: (i) provision for scholarships and school-kits for vulnerable children; (ii) ensuring medical support or free access to health care; (iii) organizing vocational training and adult literacy classes; (iv) providing support to local NGOs in charge of educational and vocational inclusion of vulnerable children and youth, through capacity building, provision of equipment, and minor rehabilitation works to ensure higher quality in children care; and (v) provision for medical check-up, psychological support, French classes and distribution of meals and clothes for talibés in selected Koranic schools in Kaffrine.

Part C: Project Management

Support to Project management through the financing of: (i) independent monitoring and evaluation of the Grant activities; (ii) yearly audits of the Grant; (iii) hiring of a coordinator; and (iv) financing Operating Costs.

2.02. Project Execution Generally. The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall carry out the Project in accordance with the provisions of: (a) 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 the Appendix to this Agreement; and (c) this Article II.

2.03. Institutional and Other Arrangements. Without limitation upon the provisions of Section 2.02 of this Agreement, the Recipient shall:

(a) be responsible for the coordination of the activities, monitoring and internal evaluation and for the general implementation of the Project.

(b) maintain RONGIES to be responsible for providing strategic advice, approval of work plans and exchange of views on sustainability. RONGIES shall meet in person at least twice a year.

(c) make part of the proceeds of the Grant available to each Implementing Partner and enter into a Memorandum of Understanding under terms and conditions that are satisfactory to the World Bank, including but not limited to: (i) the obligation to carry out their respective part of the Project in accordance with the provision of this Letter Agreement; (ii) the obligation to maintain adequate accounting records and compliance with monitoring and reporting guidelines; and (iii) the requirement that the goods, works and services to be financed from the proceeds of the Grant shall be procured in accordance with the procedures set forth in Section 2.05 to this Annex; and such goods and services shall be used exclusively in the carrying out of the activities to be implemented under the Project.
(d) (i) adopt and maintain an implementation manual, in form and substance satisfactory to the World Bank, for the implementation of the Project, which includes detailed guidelines on the overall Project implementation, financial management, procurement, safeguards and other fiduciary arrangements (“Implementation Manual”); (ii) take all measures necessary to ensure that the Project is carried out in conformity with the Operational Manual; and (iii) not assign, amend, abrogate, waive or otherwise modify the Operational Manual or any provision thereof if, in the opinion of the World Bank, such assignment, amendment, abrogation, waiver or other modification would materially affect the implementation of the Project.

(e) (i) adopt and maintain an administrative and financial procedures manual, in form and substance satisfactory to World Bank, which outlines the administrative, financial and monitoring and evaluation arrangements for the implementation of the Project (“Administrative and Financial Procedures Manual”); and (ii) not assign, amend, abrogate, waive or otherwise modify the Administrative and Financial Procedures Manual or any provision thereof if, in the opinion of the World Bank, such assignment, amendment, abrogation, waiver or other modification would materially affect the implementation of the Project.

2.04. Project Monitoring, Reporting and Evaluation. (a) 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 the indicators agreed with 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 one month after the end of the period covered by such report.

(b) 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 months after the Closing Date.

2.05. Financial Management. (a) The Recipient 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 shall ensure that interim unaudited financial reports for the Project are prepared and furnished to the World Bank not later than 45 days after the end of each calendar quarter, covering the quarter, in form and substance satisfactory to the World Bank.

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

2.06. Procurement

(a) General. All goods, works, 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 (excluding paragraph 1.16) of the “Guidelines for Procurement under IBRD Loans and IDA Credits” published by the World Bank in May 2004 and revised in October 2006 (“Procurement Guidelines”), in the case of goods; and

(ii) Sections I (excluding paragraph 1.24) 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 (“Consultant Guidelines”) in the case of consultants’ services.

(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 and Works. The following methods may be used for the procurement of goods and works: (A) Shopping; and (B) Community Participation in accordance with procedures acceptable to the World Bank.

(d) Particular Methods of Procurement of Consultants’ Services

(i) Except as otherwise provided in item (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 the World Bank agrees meet the requirements set forth in the Consultant Guidelines for their use: (A) Selection based on Consultants’ Qualifications; or (B) 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, the following contracts shall be subject to Prior Review by the World Bank: (a) the first contract to be awarded in accordance with each procurement method; (b) each contract for consultants’ services provided by a firm estimated to cost the equivalent of $100,000 or more; and (c) each contract for individual consultants estimated to cost the equivalent of $50,000. 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) 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. Dollars)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Minor rehabilitation works, Consultants’ Services, Training, Goods, and Operating Costs</td>
<td>1,517,032</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>1,517,032</td>
<td></td>
</tr>
</tbody>
</table>

For purposes of this paragraph, the terms:

(a) “Training” means the reasonable cost of: (i) training materials; (ii) local travel and subsistence for participants; (iii) fees for trainers; and (iv) any other expenses related to training to be carried out under the Project; and

(b) “Operating Costs” means the reasonable incremental expenditures incurred by the Recipient on account of Project implementation including, *inter alia*, contribution to office running costs, communication costs, printing materials, and vehicle rental, fuel and maintenance.

3.02. **Withdrawal Conditions.** Notwithstanding the provisions of Section 3.01 of this Agreement, no withdrawal shall be made for payments made prior to the date of countersignature of this Agreement by the Recipient.

3.03. **Withdrawal Period.** The Closing Date referred to in Section 3.06 (c) of the Standard Conditions is December 31, 2012.

**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) if World Bank so requests, the condition of the Recipient, as represented or warranted to the World Bank in this Agreement, has undergone no material adverse change after the date of this Agreement;

(b) the Member Country has confirmed its support for the Project in a manner acceptable to the World Bank;

(c) the Recipient has adopted the Implementation Manual, in form and substance satisfactory to the World Bank;
(d) the Recipient has entered into an MOU with each implementing partner under terms and conditions(133,57),(850,951) satisfactory to the World Bank; and

(e) the Recipient has adopted the Administrative and Financial Procedures Manual, in form and substance satisfactory to the World Bank.

4.02. 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.

4.03. This Agreement and all obligations of the parties under it shall terminate if it has not entered into effect by the date ninety (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. Recipient’s Representative. The Recipient’s Representative referred to in Section 7.02 of the Standard Conditions is its Director.

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

Comunita Impegno Servizio Volontariato (CISV)
Corso Chieri 121/6
10132 Torino
Italy

Facsimile:
39-011-8994700

5.03. 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: Telex: Facsimile:
INDEVAS 248423 (MCI) or 1-202-477-6391
Washington, D.C. 64145 (MCI)
Article VI
Recipient’s Representations and Warranties

6.01. The Recipient hereby makes the following representations and warranties to the World Bank:

   (a) The Recipient’s April 25, 2010 annual report, a copy of which is publicly available through the Recipient’s official website, fairly represents its financial and operating condition as of the date of issuance thereof and since such date there have been no material adverse changes in its financial and operating conditions.

   (b) There is no litigation, arbitration or administrative proceeding or claim which by itself or together with any other such proceedings or claims, would be reasonably likely to have a material adverse effect on the Recipient’s financial and operating conditions, is at present in progress or pending or, to the best of the knowledge, information and belief of the Recipient, having made all proper and reasonable enquiry, threatened against the Recipient or any of its assets.

   (c) The Recipient has no outstanding agreements or liabilities, contingent or otherwise (including tax liabilities), which might materially and adversely affect its financial condition, operations or corporate structure.

   (d) The Recipient has not taken any corporate action, nor have any other steps been taken or legal proceedings started or (to the best of its knowledge and belief, after due enquiry) threatened against it, for its winding-up, dissolution, administration or re-organization or for the enforcement of any encumbrance over all or any of its revenues or assets or for the appointment of a receiver, administrator, administrative receiver, conservator, custodian, trustee or similar officer of it or of all or any of its assets which could reasonably be expected to have a material adverse effect on the Recipient’s financial and operating conditions.

   (e) No debt of the Recipient is secured by any mortgage, pledge, charge, priority or other lien, and no contract or arrangement exists for the creation of any such mortgage, pledge, charge, priority or other lien.

   (f) There are no existing defaults in repayment of principal of, or interest or other charges on, any debt of the Recipient.

   (g) The execution and delivery by the Recipient of, the performance of its obligations under, the compliance with the provisions of, the exercise of its rights under this Agreement do not and will not:

       (i) conflict with, or result in any breach of any of the terms of, or constitute a default under, any agreement, pledge, bond or other instrument or treaty to which it is a party or is subject or which is binding upon it or any of its assets;

       (ii) contravene or conflict with its constitutive documents and internal rules and regulations; or
(iii) contravene or conflict with any law applicable to the Recipient.

(h) It is not necessary to ensure the legality, validity, enforceability or admissibility in evidence of this Agreement that it be notarized, filed, recorded, registered or enrolled by the Recipient in any court, public office or elsewhere in its jurisdiction of establishment or that any stamp, registration or similar tax or charge be paid by the Recipient in its jurisdiction of establishment on or in relation to this Agreement.

(i) No consent of, giving of notice to, or registration with, or taking of any other action in respect of, any governmental agency or other competent authority or agency of its jurisdiction of establishment is required to be obtained, given, made or taken in connection with the execution, delivery or performance of this Agreement or the carrying out by it of any of the transactions contemplated thereby.

(j) The Recipient is an Italian association, duly established and validly existing under the laws of its jurisdiction of establishment with full power to own its assets, to carry on its present business, to carry out the Project and to comply with all the terms and conditions of this Agreement, and all corporate and other actions required to authorize the execution and delivery by the Recipient of this Agreement and the performance of its obligations thereunder have been duly taken.

(k) This Agreement, when executed and delivered by the Recipient, constitutes the legal, valid and binding obligations of the Recipient, enforceable against it in accordance with its terms.

(l) The Recipient is duly authorized to operate in the Member Country and to perform its obligations under this Agreement (and carry out the transactions contemplated thereby) and no consent of, giving of notice to, or registration with, or taking of any other action in respect of, any governmental agency or other competent authority or agency in the Member Country is required to be obtained, given, made or taken in connection with the execution, delivery or performance of this Agreement or the carrying out by it of any of the transactions contemplated thereby.

(m) The Recipient or any shareholder thereof, including any individual who indirectly holds shares in the Recipient, is not subject to any decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations such that the payment of any amount to the Recipient under this Agreement would be prohibited by such decision.

6.02. The Recipient understands that, in making the Grant, the World Bank has relied on the representations and warranties made in Section 6.01 above. Should any material change occur in the condition of the Recipient as herein represented, the Recipient shall promptly inform the World Bank thereof.
APPENDIX

Modifications to the Anti-Corruption Guidelines

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, collusive, 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.”