H.E. Abdelhamid Triki  
Minister of Planning and International Cooperation  
Ministry of Planning and International Cooperation  
Place Ali Zouaoui  
1069 Tunis  
Republic of Tunisia  

Re: Republic of Tunisia: JSDF Grant for Community Health Collaborative Project  
Grant No. TF099374  

Excellency:  

In response to the request for financial assistance made on behalf of the Republic of Tunisia (the Recipient), I am pleased to inform you that the International Bank for Reconstruction and Development (“World Bank”), as administrator of grant funds provided by Japan under the Japan Social Development Fund, proposes to extend to the Recipient a grant in an amount not to exceed eight hundred seventy-eight thousand five hundred United States Dollars (U.S.$878,550) (“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 Japan Social Development 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 with 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 become effective as of the date specified by the World Bank in accordance with Section 4.01 of the Annex to this Agreement.
Very truly yours,
INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

/s/ Simon M. Gray
Director
Maghreb Department
Middle East and North Africa

AGREED:
REPUBLIC OF TUNISIA

By: /s/ Abdelhamid Triki
   Authorized Representative

Name:  Abdelhamid Triki
Title:  Minister of Planning and International Cooperation
Date:  November 22, 2011

Enclosures:

(1) Standard Conditions for Grants Made by the World Bank Out of Various Funds, dated July 31, 2010
(2) Disbursement Letter of the same date as this Agreement, together with World Bank Disbursement Guidelines for Projects, dated May 1, 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.

Article II

Project Execution

2.01. **Project Objectives and Description.** The objective of the Project is to improve the quality and responsiveness of health service delivery for reproductive health through community involvement and empowerment in planning and delivering health services in underserved areas of the Recipient’s peri-urban and rural governorates in the southeast (Tataouine), central west (Kasserine), and northwest (Jendouba). The Project consists of the following parts:

**Part A: Community Education and Mobilization**

Provision of goods, consultants’ services, and training and workshops in: (i) establishing Community Health Collaboratives (CHCs) in the pilot region; and (ii) creating public educational programs regarding maternal health.

**Part B: Community Outreach and Master Planning for Improving Delivery of Maternal Care**

Provision of goods, consultants’ services, and training and workshop in providing community outreach and master planning for improving delivery of maternal care by: (i) training CHCs on master planning methods for health services that will improve the efficiency of health care delivery in meeting basic health needs; and (ii) preparing local regional programmatic budget for local health services included in the master plan.

**Part C: Health Services Delivery Performance Monitoring**

Provision of goods, consultants’ services, and training and workshop in developing health services delivery performance monitoring by: (i) training CHCs on survey approaches to monitor and evaluate health system responsiveness, delivery, and quality of care; and (ii) designing, placing and analyzing health system responsiveness and quality of care survey upon initiation and completion of the project, thereby influencing community education and mobilization and providing a baseline for a follow-up impact evaluation of the project.
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 through the Direction des Soins de Santé de Base (DSSB) under the Ministry of Public Health (MoPH) 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 and revised in January 2011 (“Anti-Corruption Guidelines”); and (c) this Article II.

2.03. **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 forty-five (45) days after the end of each calendar semester, covering the semester, in form and substance satisfactory to the World Bank.

(c) 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 months after the end of such period.

2.04. **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:


(ii) Sections I and IV of the “Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” published by the World Bank in January 2011 (“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 prepared and updated from time to time by the Recipient for the Project in accordance with paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 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.
Particular Methods of Procurement of Goods and Non-consulting Services

(i) Except as otherwise provided in sub-paragraph (ii) below, goods and non-consulting services shall be procured under contracts awarded on the basis of National Competitive Bidding subject to the following additional procedures:

(A) The bidding document clearly explains the bid evaluation, award criteria and bidder qualification criteria;

(B) Any bidder registered in an eligible country, as defined in paragraphs 1.6 to 1.8 of the Procurement Guidelines will be eligible to bid; therefore no restriction based on nationality of bidders or origin of goods shall apply and foreign bidders shall not be subject to any unjustified requirement which will affect their ability to bid;

(C) Government-owned enterprises in the Borrower’s country may participate only if they can establish that they (i) are legally and financially autonomous; (ii) operate under commercial law, and (iii) are independent from contracting entity;

(D) Bidders will be allowed to deliver their bids by mail or by hand before the expiration of the deadline for submitting bids;

(E) Technical and financial envelopes are submitted together and opened in public, simultaneously during a unique session open to the public for works, goods and non-consulting services; amounts shall be read aloud during the public session; bidders or their representatives are authorized to attend the bid opening session. The date, time and place for bid opening shall be announced in the invitation to bid; these date and time shall be the same as for the deadline for receipt of bids or immediately thereafter;

(F) Bids are evaluated on price and any other criteria disclosed in the bidding documents and quantified in monetary terms and contracts are awarded to the qualified bidder having submitted the lowest evaluated responsive bid, and price would not be negotiated with the lowest evaluated bidder except under the provisions stated in paragraph 2.63 of the Procurement Guidelines;

(G) Procedures would include the publication of the evaluation results, the contract award and provision for bidders to protest;

(H) If foreign firms wish to participate, they would be allowed to do so and no provision for preferential treatment of national firms or mandatory association with a national firm or prior registration in the country of the Borrower would be applied;

(I) Prior to issuing the first call for bids, a draft standard bidding document to be used under National Competitive Bidding
procurement must be submitted to and found acceptable by the Bank; and

(J) Each bidding document and contract for goods and works to be financed from the proceeds of the future Loan/Grant would provide that the supplier, contractor and subcontractor would permit the Bank, at its request, to inspect their accounts and records relating to the bid submission and performance of the contract, and to have said accounts and records audited by auditors appointed by the Bank. The deliberate and material violation by the supplier, contractor or subcontractor of such provision may amount to obstructive practice.

(ii) The following methods, other than National Competitive Bidding, may be used for procurement of goods and non-consulting services 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: (A) Shopping; and (B) Direct Contracting.

(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 which the World Bank agrees meet the requirements set forth in the Consultant Guidelines for their use: (A) Least Cost Selection; (B) Selection based on Consultants’ Qualifications; (C) Single-source Selection; (D) Selection of Individual Consultants; and (E) Sole Source Procedures for the 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 goods or non-consulting services estimated to cost the equivalent of $100,000 or more procured on the basis of National Competitive Bidding, or Direct Contracting; and (c) each contract for consultants’ services provided by a firm or an individual consultant estimated to cost the equivalent of $50,000 or more. 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>
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<tbody>
<tr>
<td>(1) Goods</td>
<td>270,000</td>
<td>100%</td>
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<tr>
<td>(2) Consultants’ Services, including Audit</td>
<td>162,550</td>
<td>100%</td>
</tr>
<tr>
<td>(3) Training and Workshops</td>
<td>446,000</td>
<td>100%</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>878,550</strong></td>
<td></td>
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</tbody>
</table>

For the purposes of this Section, the term “Training and Workshops” means training conducted in the territory of the Recipient, including purchase and publication of materials, rental of facilities, course fees, and travel and subsistence of trainees.

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 four years after the date of countersignature of this Agreement by the Recipient.
Article IV
Effectiveness

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 terms of reference of the auditors which shall conduct the audit referred to in paragraph 2.03 (c) of this Annex have been reviewed and agreed with the World Bank.

(b) The format of the interim unaudited financial reports referred to in paragraph 2.03 (b) of this Annex have been reviewed and agreed with the World Bank.

(c) Training to DSSBs’ staff on World Bank’s fiduciary requirements and financial management has been completed.

(d) The Recipient shall have adopted the financial management manual for the Project 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.

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 the Minister of Development and International Cooperation.

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

Ministry of Planning and International Cooperation
Place Ali Zouaoui
1069 Tunis
Republic of Tunisia

Facsimile:

216-71-351-666
216-71-799-069

5.03. World Bank’s Address. The World Bank’s Address referred to in Section 7.01 of the Standard Conditions is:
International Bank for Reconstruction and Development  
1818 H Street, N.W.  
Washington, D.C. 20433  
United States of America

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<td>INTRAFRAD</td>
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