Project Agreement

(Digital Jobs in Khyber Pakhtunkhwa Project)

between

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION
acting as administrator of the KP/FATA/Balochistan
Multi-Donor Trust Fund

and

PROVINCE OF KHYBER PAKHTUNKHWA
PROJECT AGREEMENT

AGREEMENT between INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT AND INTERNATIONAL DEVELOPMENT ASSOCIATION (“World Bank”), acting as administrator of the KP/FATA/Balochistan Multi-Donor Trust Fund and the PROVINCE OF KHYBER PAKHTUNKHWA (“Project Implementing Entity”) (“Project Agreement”) in connection with the Grant Agreement (“Grant Agreement”) of the same date between the ISLAMIC REPUBLIC OF PAKISTAN (“Recipient) and the World Bank. The World Bank and the Project Implementing Entity hereby agree as follows:

ARTICLE I — STANDARD CONDITIONS; DEFINITIONS

1.01. The Standard Conditions (as defined in the Appendix to the Grant Agreement) apply to and form part of this Project Agreement.

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

ARTICLE II — PROJECT

2.01. The Project Implementing Entity declares its commitment to the objective of the Project. To this end, the Project Implementing Entity shall carry out the Project through KPITB, in accordance with the provisions of Article II of the Standard Conditions and the Schedule to this Project Agreement, and shall provide promptly as needed, the funds, facilities, services and other resources required for the Project.

2.02. Without limitation upon the provisions of Section 2.01 of this Project Agreement, and except as the World Bank and the Project Implementing Entity shall otherwise agree, the Project Implementing Entity shall carry out the Project in accordance with the provisions of the Schedule to this Project Agreement.

ARTICLE III — EFFECTIVENESS

3.01. This Project Agreement shall come into force and effect on the date upon which the Grant Agreement becomes effective.

ARTICLE IV — REPRESENTATIVE; ADDRESSES

4.01. The Project Implementing Entity’s Representative referred to in Section 7.02 of the Standard Conditions is the Secretary of the Local Government, Elections and Rural Development Department.
4.02. The Project Implementing Entity’s Address referred to in Section 7.01 of the Standard Conditions is:

Local Government, Elections and Rural Development Department
Government of Khyber Pakhtunkhwa
Peshawar
Khyber Pakhtunkhwa

Facsimile:
92-91-921-1450

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

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

Telex: Facsimile:
248423 (MCI) or 1-202-477-6391
64145 (MCI)
AGREED as of the later of the two dates written below.

INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION
acting as administrator of the KP/FATA/Balochistan
Multi-Donor Trust Fund

By

[Signature]

Authorized Representative

Name: Patchamuthu Illangovan

Title: Country Director

Date: 25-Sep-2018

PROVINCE OF KHYBER PAKHTUNKHWA

By

[Signature]

Authorized Representative

Name: Qaisar Alam Khan

Title: Secretary ST&IT, KP

Date: 28-Sep-2018
SCHEDULE

Execution of the Project

Section I. Implementation Arrangements

A. On-Granting Arrangements

1. To facilitate the carrying out of the Project, the Project Implementing Entity shall make the proceeds of the Grant available to KPITB under the same terms and conditions as shall have been made available by the Recipient to the Project Implementing Entity and in accordance with the provisions of this Agreement and the Project Implementing Entity’s on-granting policies and procedures, acceptable to the World Bank.

2. Notwithstanding the provisions of the preceding paragraph, in the event of conflict between the on-granting and budgetary policies and procedures of the Project Implementing Entity and the provisions of this Agreement, including such additional instructions as the World Bank shall have specified by notice to the Recipient pursuant to Section IV.A.1 of Schedule 2 to the Grant Agreement, the provisions of this Agreement, including said additional instructions, shall govern.

3. The Project Implementing Entity shall exercise its rights under the on-granting arrangements referred to in paragraph 1 of this Part A in such manner as to protect the interests of the Recipient, the Project Implementing Entity and the World Bank and to accomplish the purposes of the Grant.

B. Project Management

1. The Project Implementing Entity shall ensure that a Project Implementation Unit is established within KPITB no later than three (3) months after the countersignature date of this Project Agreement, and thereafter maintain a Project Implementation Unit with terms of reference, composition and resources at all times satisfactory to the World Bank.

2. The Project Implementation Unit shall be responsible for technical and administrative Project coordination, financial management, procurement, social and environmental safeguards arrangements, supervision, planning, reporting, monitoring and evaluation, communication and outreach coordination.

C. Anti-Corruption

1. The Project Implementing Entity shall ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.
Section II. Project Monitoring, Reporting and Evaluation

A. Documents; Records

1. In addition, and without limitation to the obligations set forth in Section 2.05 of the Standard Conditions, the Project Implementing Entity shall ensure that:

   (a) all records evidencing expenditures under the Project are retained for seven years (7) and six (6) months after the Closing Date, such records to include: (i) this Project Agreement, all addenda thereof, and any amendments thereto; (ii) the Project Implementing Entity’s financial and narrative progress reports submitted to the World Bank; (iii) the Project Implementing Entity’s financial information related to the Grant, including audit reports, invoices and payroll records; (iv) the Project Implementing Entity’s implementation documentation (including sub-agreements, procurement files, contracts, purchase orders); and (v) the corresponding supporting evidence referred to in Section 3.04 of the Standard Conditions; and

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

B. Project Reports; Completion Report

1. The Project Implementing Entity, through KPITB, 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 set forth in the Results Framework. Each Project Report shall cover the period of one (1) 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 Project Implementing Entity, through KPITB, 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.

C. Financial Management; Financial Reports; Audits

1. The Project Implementing Entity, through KPITB, shall ensure that a financial management system is maintained in accordance with the provisions of Section 2.07 of the Standard Conditions.
2. The Project Implementing Entity, through KPITB, 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 Project Implementing Entity, through KPITB, shall have the 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 the Project Implementing Entity. 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.

D. Procurement

All goods, non-consulting services and consulting services required for the Project and to be financed out of the proceeds of the Grant shall be procured in accordance with the provisions of Section III of Schedule 2 to the Grant Agreement.