Project Agreement

(Hurricane Dean Emergency Recovery Project)

between

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

and

JAMAICA SOCIAL INVESTMENT FUND

Dated January 8, 2008
PROJECT AGREEMENT

Agreement dated January 8, 2008, entered into between INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (the Bank) and JAMAICA SOCIAL INVESTMENT FUND (the Project Implementing Entity) (the Project Agreement) in connection with the Loan Agreement (“Loan Agreement”) of same date between JAMAICA (the Borrower) and the Bank. The Bank and the Project Implementing Entity hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

1.01. The General Conditions (as defined in the Appendix to the Loan 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 Loan Agreement or the General Conditions.

ARTICLE II — PROJECT

2.01. The Project Implementing Entity declares its commitment to the objectives of the Project. To this end, the Project Implementing Entity shall carry out the Project in accordance with the provisions of Article V of the General Conditions, 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 Agreement, and except as the 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 Agreement.

ARTICLE III — REPRESENTATIVE; ADDRESSES

3.01. The Project Implementing Entity’s Representative is its Managing Director.

3.02. The Bank’s Address is:

International Bank for Reconstruction and Development
1818 H Street, NW
Washington, DC 20433
United States of America

Cable: INTBAFRAD  Telex: 248423(MCI) or 64145(MCI)
Facsimile: 1-202-477-6391
3.03. The Project Implementing Entity’s Address is:

Jamaica Social Investment Fund  
IC - IF Pawsey Road  
Kingston 5  
Jamaica

Facsimile:  
876-929-8427

AGREED at the District of Columbia, United States of America, as of the day and year first above written.

INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT

By /s/ Yvonne M. Tsikata  
Authorized Representative

JAMAICA SOCIAL INVESTMENT FUND

By /s/ Scarlette Gillings  
Authorized Representative
SCHEDULE

Execution of the Project

Section I. Implementation Arrangements

A. Institutional and Other Arrangements.

1. Without limitation to the provisions of Article V of the General Conditions, the Project Implementing Entity declares its commitment to the objectives of the Project as set forth in Schedule 1 to the Loan Agreement, and, to this end, shall:

   (a) carry out the Project in accordance with the Operations Manual, including the Environmental Management Framework ("EMF") and the Land Acquisition and Resettlement Policy Framework ("LARPF"). The Operations Manual or any part thereof shall not be amended, waived, suspended or abrogated without the Bank’s prior written concurrence, and in case of any inconsistency between the provisions of the Operations Manual and those of this Agreement, the provisions of this Agreement shall prevail;

   (b) maintain, throughout Project implementation:

      (i) a unit to oversee daily Project implementation, headed by a Project manager and assisted by staff in adequate numbers, all with qualifications and experience satisfactory to the Bank, including staff trained in the areas of environmental management, resettlement and land acquisition, and such staff shall continue to receive periodic training in such areas; and

      (ii) a Board of Directors which provides general oversight and policy direction for Project implementation, with composition and functions acceptable to the Bank;

   (c) provide training in environmental management, resettlement and land acquisition, including the application of the EMF and LARPF, to staff of Borrower agencies and other service providers involved in related Project activities;

   (d) maintain at all times during Project implementation a management information system, which shall incorporate the monitoring requirements for the EMF and the LARPF;

   (e) conduct an annual audit of sample projects to learn lessons from the application of EMF and LARPF and introduce corrective measures to ensure improved processes are sustained; and

   (f) promptly inform the Bank of any developments in the legislation or regulations of the Borrower, and/or the rules or procedures of the Borrower or Project Implementing Entity that may affect the performance of the Project, or the application of the EMF or LARPF.
2. No later than January 31, 2008, the Project Implementing Entity shall approve revisions to the financial management chapter of the Operations Manual in a manner satisfactory to the Bank, to incorporate the activities undertaken under the Project.

B. Anti-Corruption

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. Project Reports

1. The Project Implementing Entity shall monitor and evaluate the progress of the Project and prepare Project Reports for the Project in accordance with the provisions of Section 5.08 (b) of the General Conditions, with the timing and periodicity set forth in Section II.A.1 of Schedule II to the Loan Agreement, and on the basis of the indicators agreed with the Bank. The Project Implementing Entity shall include in the Project Reports the monitoring results of: (a) the application of EMF and LARPF to the Project; and (b) the measures taken for improvement, and to maintain equivalency to the objectives and principles of the Bank’s relevant policies, of the Project Implementing Entity’s environmental and resettlement and land acquisition systems.

2. The Project Implementing Entity shall provide to the Bank, in the report referred to in Section 5.08 (c) of the General Conditions and Section II.A.2 of Schedule 2 to the Loan Agreement, all such information as the Borrower or the Bank shall reasonably request for the purposes of those Sections.

B. Financial Management, Financial Reports; Audits

1. The Project Implementing Entity shall maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the Bank, both in a manner adequate to reflect the operations and financial condition of the Project Implementing Entity, including the operations, resources and expenditures related to the Project.

2. The Project Implementing Entity shall prepare and furnish to the Borrower and the Bank not later than forty-five days after the end of each calendar quarter, interim un-audited financial reports for the Project covering the quarter, in form and substance satisfactory to the Bank.

3. The Project Implementing Entity shall have its financial statements referred to in paragraph B.1 above audited by independent auditors acceptable to the Bank, in accordance with consistently applied auditing standards acceptable to the Bank. Each audit of these financial statements shall cover the period of one fiscal year of the Project Implementing Entity. The audited financial statements for each period shall be furnished to the Borrower and the Bank not later than four months after the end of the period.
Section III. **Procurement**

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