Mr. Paolo Dieci  
Director  
Comitato Internazionale Per Lo Sviluppo Dei Popoli (CISP)  
Via Gemanico, 198  
00192 Rome  
Italy

Re: CHYAO Africa Grant No.TF098265  
Republic of Niger: Increase Nutritional Status and Access to Food Complements for Children

Dear Mr. Dieci:

In response to the request for financial assistance made on behalf of the Comitato Internazionale Per Lo Sviluppo Dei Popoli (“CISP” or “Recipient”), I am pleased to inform you that the International Bank for Reconstruction and Development (“IBRD”) and the International Development Association (“IDA”) (collectively the “World Bank”), acting as administrator of grant funds provided by Italy under the Trust Fund for Children and Youth in Africa (“CHYAO Africa”) (“Donor”), proposes to extend to the Recipient, for the benefit of the Republic of Niger (“Member Country”), a grant in an amount not to exceed three hundred eighty thousand United States Dollars (U.S.$380,000) (“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 from the Donor. In accordance with Section 3.02 of the Standard Conditions (as defined in the Annex to this Agreement), the World Bank’s payment obligations in connection with this Agreement are limited to the amount of funds made available to it by the Donor under the abovementioned trust fund, and the Recipient’s right to withdraw the Grant proceeds is subject to the availability of such funds. Accordingly, in the event that the Donor cancels or fails to pay any contributions under the trust fund to the World Bank for any reason, or that as a result of currency exchange variations the amount of funds available in the trust fund is insufficient for the purposes of the Grant, the Recipient shall bear the risk of such funding shortfall and the World Bank shall not have any liability whatsoever to the Recipient or to any third parties in respect of any expenditures or liabilities incurred by the Recipient or any third parties in connection with this Agreement which exceed the amount of funds made available to the World Bank by the Donor for the purposes of the Grant.

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 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 the countersigned copy of this Agreement within 90 days after the date of signature of this Agreement by the World Bank, unless the World Bank shall have established a later date for such purpose.

Very truly yours,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
AND
INTERNATIONAL DEVELOPMENT ASSOCIATION

By /s/ Ousmane Diagana
Country Director for Niger
Africa Region

AGREED:
COMITATO INTERNAZIONALE PER LO SVILUPPO DEI POPOLI (CISP)

By /s/ Colombe Anais Cretin
Authorized Representative

Name _______________________
Title Representative, CISP
Date: 17/11/2011

Enclosures:

2. Disbursement Letter of even date herewith together with World Bank Disbursement Guidelines for Projects, dated May 1, 2006
5. 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
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 additional terms have the following meanings:

   (a) “Beneficiary” means an individual or a women’s group eligible to receive a Sub-Grant (as hereinafter defined) and to which, or for whose benefit, a Sub-grant is made or proposed to be made.

   (b) “Procedures Manual” means the Recipient’s guidelines and procedures satisfactory to the World Bank to be used for the purpose of implementing a Sub-project (as hereinafter defined).

   (c) “Sub-grant” means a grant made or proposed to be made to an eligible Beneficiary, subject to the specific terms and conditions set forth in the Sub-grant Agreement (as hereinafter defined), to finance the reasonable cost of goods, or services required for the Sub-projects (as hereinafter defined).

   (d) “Sub-grant Agreement” means the agreement or contract satisfactory to the Recipient and the World Bank to be entered between the Recipient and an eligible Beneficiary, setting forth the terms and conditions under which proceeds of a Sub-grant are to be made available to the Beneficiary for the purpose of financing Sub-projects (as hereinafter defined).

   (e) “Sub-project” means a specific activity to be carried out by eligible Beneficiaries within the targeted areas, under Part B of the Project.

Article II

Project Execution

2.01. **Project Objectives and Description.** The objective of the Project is to contribute to the prevention of children’s malnutrition by promoting income opportunities linked to the production and marketing of food and local food complements by women’s groups coming from vulnerable families in the Ouallam, Tera and Tillabery districts.

The Project consists of the following parts:

Part A:
Training of women’s groups in production and marketing of food complements, through: (i) identification of target groups and needs assessment of potential beneficiaries; (ii) organization of sensitization and information initiatives, including distribution of food complements, mosquito nets, and basic drugs; and (iii) delivery of training modules on food production, food processing, and food complements production, and food conservation.

Part B:

Increase access to food and food complements for children, through: (i) provision of sub-grants (“Sub-Grants”) to women’s groups (“Beneficiaries”) for income generating activities (“Sub-Projects”); (ii) provision of support to the Beneficiaries to develop, manage and monitor the Sub-Projects; (iii) training in management of group enterprises and commercialization of the products; and (iv) sharing of Project experiences and dissemination of sensitization materials.

Part C:

Monitoring and evaluation of the Project and audits of the Grant.

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 its local branch in Niger 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 as revised in January 2011 (“Anti-Corruption Guidelines”); and (c) this Article II.

2.03. Institutional and Other Arrangements. Without limitations upon Section 2.02 above, the Recipient shall maintain, at all times during the implementation of the Project, staff in numbers and with functions, terms of reference, and resources satisfactory to the World Bank.

2.04. Sub-Grants. The Recipient shall finance Sub-grants under Part B (i) of the Project, in accordance with eligibility criteria and procedures set out in the Procedures Manual, which, except as the World Bank may otherwise agree in writing, shall include the following:

(a) No proposed Sub-project shall be eligible for financing under a Sub-grant out of the proceeds of the Grant unless the Recipient has determined that the relevant Sub-project satisfies the following eligibility criteria:

(i) the proposed Beneficiary is a legal entity having participated in training and awareness campaigns under Part A of the Project, and showing a strong commitment for the proposed initiatives;

(ii) the proposed Sub-project shall be for income generating activities in the field of food and food complements production;

(iii) the Sub-grant shall not exceed the amount of $120,000 equivalent, except as previously agreed with the World Bank; and

(iv) the proposed Sub-project shall be in compliance with the standards set forth in the applicable laws and regulations of the Republic of Niger relating to health, safety and environmental protection.
(b) In financing Sub-grants, the Recipient shall enter into a Sub-grant Agreement with the respective Beneficiary under terms and conditions satisfactory to the Recipient and the World Bank, which shall require each Beneficiary to:

(i) procure the goods and services to be financed out of the proceeds of the Sub-grant in conformity with the provisions of this Agreement and ensure that the goods and services shall be used exclusively in the carrying out of the Sub-project;

(ii) maintain an accounting system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the World Bank, both in a manner adequate to reflect the operations, resources and expenditures related to the Sub-project;

(iii) carry out the proposed Sub-project in accordance with the provisions of the Anti-Corruption Guidelines applicable to recipients of grant proceeds other than the Recipient;

(iv) enable the Recipient and the World Bank to inspect the Sub-project, its operation and any relevant records and documents; and

(vi) prepare and furnish to the Recipient and the World Bank all such information, as the Recipient or the World Bank shall reasonably request, relating to the foregoing.

(c) The Recipient shall exercise its rights under each Sub-grant Agreement in such manner as to protect the interests of the Recipient and the World Bank and to accomplish the purposes of the Grant. Except as the World Bank shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive any Sub-grant Agreement or any of its provisions.

2.05. **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 indicators acceptable to 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.

2.06. **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 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 such period shall be furnished to the World Bank not later than six months after the end of such period.
2.07. **Procurement**

(a) **General.** All goods, non-consulting services and consultants’ 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 of Goods, Works and Non-consulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011 ("Procurement Guidelines"), in the case of goods and non-consulting services;

(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” dated 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 Sections II and III of the Procurement Guidelines, or Sections II, III, IV and V of 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, and non-consulting services shall be procured under contracts awarded on the basis of National Competitive Bidding.

(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: (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 Bank agrees meet the requirements set forth in the Consultant Guidelines for their use: (A) Quality-based Selection; (B) Selection based on Consultants’ Qualifications; (C) Least-Cost Selection; (D) Fixed-budget Selection; (E) Single-source Selection; (F) Selection of Individual Consultants; and (G) Single-source Procedures for the Selection of Individual Consultants.
(e) Review by the World Bank of Procurement Decisions. The Procurement Plan shall set forth those contracts which shall be subject to the World Bank’s Prior Review. 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 US$)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, consultants’ services, Training and Operating Costs under Parts A, B (ii) and C of the Project</td>
<td>260,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Sub-Grants under Part B (i) of the Project</td>
<td>120,000</td>
<td>100% of amounts disbursed</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>380,000</td>
<td></td>
</tr>
</tbody>
</table>

For the purpose of this Annex the following terms shall have the following meanings:

(a) “Training” means the expenditures incurred to finance the reasonable cost associated with training and workshop participation under the Project, and consisting of travel and subsistence costs for training participants, costs of securing the services of trainers, rental of training facilities, preparation and reproduction of training materials and other costs directly related to course preparation and implementation.

(b) “Operating Costs” means the expenditures incurred to finance the reasonable incremental operating costs incurred on account of the Project implementation, management and monitoring, including gas, vehicle maintenance, telephone, office equipment, office supplies, bank charges, additional staff costs, travel and supervision costs, per diem, but excluding the salaries and other benefits of officials and public servants of the Recipient’s civil service.

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

(b) under Category (2) for sub-grants until the World Bank has approved the Procedures Manual for the award of Sub-Grants to Beneficiaries including the model of Sub-Grant Agreement.

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

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 its Managing Director.

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

Comitato Internazionale Per Lo Sviluppo Dei Popoli (CISP)
VIA GEMANICO, 198
00192 Rome
Italy

Facsimile

+39 06 32 16 163

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
Telex: INDEVAS 248423 (MCI) or 64145
Facsimile: 1-202-477-6391

(MCI)