Honourable Minister Niko Lee Hang
Minister of Finance
Ministry of Finance
Private Bag
Apia
Independent State of Samoa

Re: Independent State of Samoa: PRIF Multi-Donor Trust Fund to Co-finance the
Samoa Post Tsunami Reconstruction Project - Grant No. TF098846

Honourable Minister:

In response to the request for financial assistance made on behalf of the Independent State of Samoa ("Recipient"), I am pleased to inform you that the International Bank for Reconstruction and Development/International Development Association ("World Bank"), acting as administrator of grant funds provided under the Pacific Region Infrastructure Facility ("PRIF") multi-donor trust fund, proposes to extend to the Recipient a grant in an amount not to exceed one million seven hundred and ninety thousand Dollars ($1,790,000) ("Grant") on the terms and conditions set forth or referred to in this letter agreement ("Agreement"), which includes the attached Annex and Appendices, to assist in the financing of all of Part A.1 and a portion of Part A.2 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 World Bank of a countersigned copy of this Agreement, this Agreement shall become effective as of the date specified by the World Bank in accordance with Section 5.03 of the Annex to this Agreement; provided, however, that the offer of this Agreement shall be deemed withdrawn if the World Bank has not received said evidence and the countersigned copy of this Agreement within ninety (90) days after the date of signature of this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/INTERNATIONAL DEVELOPMENT ASSOCIATION

By/s/ Charles Feinstein

Charles Feinstein
Acting Country Director
Papua New Guinea, Pacific Islands and Timor Leste

AGREED:

INDEPENDENT STATE OF SAMOA

By/s ____ Niko Lee Hang ____________
Authorized Representative

Name: Niko Lee Hang ____________

Title: Minister of Finance ____________

Date: 10.2.11 ________________

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, in this Agreement or in the Financing Agreement, dated December 14, 2010, between the Recipient and the International Development Association providing a credit (4831-WS) in support of the Project (as the same may be amended from time to time, “Financing Agreement”).

Article II

Project Execution

2.01. **Project Objective and Description.** The objective of the Project is to assist the Recipient in its efforts to assist in the relocation and rehabilitation of communities living in the island of Upolu affected by the tsunami of September 29, 2009, through the provision of improved infrastructure access to relocation sites, enhanced transport infrastructure, and assistance to local communities to address future natural disasters.

The Project consists of the following parts:

**Part A. Infrastructure Works**

1. Construction of about twelve (12) kilometers long inland roads along the south coast between Lepa and Lalomanu in Upolu Island, including construction of gravel sub-base, base course and a six (6) meters wide bitumen surface, with longitudinal and cross drainage.

2. Upgrading of various existing inland access tracks along the east and south coast roads in Upolu Island, including in each case the construction of about two (2) kilometers long of bitumen surfaced secondary roads.

3. Repair and reconstruction of existing sea walls along the east and south coast roads in Upolu Island.

4. Repair of the Salani Bailey Bridge, including its abutments.

5. Provision of technical assistance for designing storm-water drainage system for all the roads included under Part B of the Project, including locations, hydraulic capacity, and inlet and outlet details of required culverts.

**Part B. Community Risk Management Plans**
Provision of high resolution imagery of the affected areas, as well as relocation sites in Upolu Island, including updating the Coastal Infrastructure Management Plans for these areas to assist with infrastructure planning and monitoring, and disaster risk reduction.

Part C. East Coast Inland Route (Samusu-Lalomanu)

Construction of a new inland main road between Samusu and Lalomanu in Upolu Island, including (a) a comprehensive environmental impact assessment; (b) resettlement and rehabilitation of Displaced Persons; and (c) provision of technical assistance for a route alignment study, detailed design and construction supervision therefor.

Part D. Pedestrian Access Routes

Construction of new pedestrian routes at regular intervals to facilitate access to resettled families between their new homes located inland in the high escarpment and the south coastal plain between Lepa and Matautu in Upolu Island, as well as to serve as evacuation routes in the event of a tsunami or cyclone, including the provision of technical assistance for feasibility, design and construction supervision therefor.

Part E. Project Management

Strengthening the capacity of the Project Management Unit for the day-to-day implementation of the Project, including compliance with financial, environmental and procurement management, reporting requirements and monitoring and supervision activities, as well as strengthening the capacity of the Project Implementing Entity and the Ministry of Natural Resources and Environment for Project monitoring, evaluation and administration, and the provision of technical assistance therefor.

2.02. Project Execution Generally. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient (i) shall cause the Recipient’s Land Transport Authority to carry out Parts A, C, and of the Project, as well as that part of Part E which applies “LTA’s Respective Parts of the Project”) and (ii) shall carry out Parts B and E of the Project through its Ministry of Natural Resources and Environment, and its Ministry of Finance, respectively, in accordance with the provisions of: (a) Article II of the Standard Conditions; (b) the (“Anti-Corruption Guidelines”), (c) this Article II; and (d) the agreement dated December 14, 2010 between the International Development Association and the Project Implementing Entity, as such agreement may be amended from time to time (“Project Agreement”).

2.03. Institutional and Other Arrangements.

(a) The Recipient shall maintain, until completion of the Project, the Program Steering Committee with additional representatives of the Project Implementing Entity, the Samoa Water Authority and the Samoa Electric Power Corporation, and assigned with such additional funds, responsibilities and resources as shall be required to enable it to provide overall guidance in the carrying out of the Project, review the progress of Project implementation, assist in achieving the Project objectives and complying with the terms and conditions of this Agreement and the Project Agreement.

(b) The Recipient shall retain and, thereafter, maintain, until completion of the Project, the Project Management Unit, headed by a Project manager, and provided with sufficient resources and such powers, responsibilities, organization and funding as shall be required to enable it to carry out the
day-to-day management, monitoring and coordination of procurement, accounting, disbursement, financial management and other Project related activities, including reporting to the Program Steering Committee, and staffed with competent personnel in adequate numbers, including a Project accountant/financial management specialist, and an administrative/information dissemination assistant, all under terms of reference acceptable to the World Bank.

(c) The Recipient shall:

(i) cause the Project Implementing Entity to retain and, thereafter, maintain, until completion of the Project, a Project component manager for purposes of managing, monitoring and coordinating procurement, accounting, disbursement, financial management and other activities related to the carrying out LTA’s Respective Parts of the Project, with qualifications and experience and terms of reference satisfactory to the World Bank; and

(ii) retain and, thereafter, maintain, until completion of the Project, a Project component manager within the Ministry of Natural Resources and Environment, for purposes of managing, monitoring and coordinating procurement, accounting, disbursement, financial management and other activities related to the carrying out of Part B of the Project, with qualifications and experience and terms of reference satisfactory to the World Bank.

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 set forth in Appendix I to this Agreement. 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 as part of the Project Report not later than one month 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. Each such audit of the Financial Statements shall cover the period of one (1) 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.

2.06. **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 of the “Guidelines: Procurement under IBRD Loans and IDA Credits” published by the World Bank in May 2004 and revised in October 2006 and May 2010 (“Procurement Guidelines”), in the case of goods and works;
(ii) Sections I 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 and May 2010 (“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 1.16 of the Procurement Guidelines and paragraph 1.24 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.

(c) Particular Methods of Procurement of Goods and Works

(i) Except as otherwise provided in sub-paragraph (ii) below, goods and works shall be procured under contracts awarded on the basis of International Competitive Bidding.

(ii) The following methods, other than International Competitive Bidding, may be used for procurement of goods and works for those contracts specified in the Procurement Plan: (A) National Competitive Bidding, subject to the additional provisions set forth in Appendix II to this Agreement; (B) Direct Contracting; and (C) Shopping.

(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: (A) Quality-based Selection; (B) Selection under a Fixed Budget; (C) Least Cost Selection; (D) Selection based on Consultants’ Qualifications; and (E) Selection of Individual Consultants including Single Source Selection.

(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) 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 100% of Eligible Expenditures consisting of goods, works and services under Parts A.1 and A.2 of the Project, inclusive of Taxes.
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 this Agreement, except that withdrawals up to an aggregate amount not to exceed $700,000 equivalent may be made for payments made prior to this date but on or after February 15, 2010.

3.03. **Withdrawal Period.** The Closing Date referred to in Section 3.06 (c) of the Standard Conditions is April 30, 2013.

**Article IV**

**Additional Remedies**

4.01. The Additional Events of Suspension referred to in Section 4.02 (k) of the Standard Conditions consist of the following:

(a) The Member Country has taken or permitted to be taken any action which would prevent or interfere with the performance by the Project Implementing Entity of its obligations under the Project Agreement.

(b) The Project Implementing Entity has failed to perform any obligation under the Project Agreement.

(c) IBRD or IDA has declared the Project Implementing Entity ineligible to receive proceeds of any financing made by IBRD or IDA, or otherwise to participate in the preparation or implementation of any project financed in whole or in part by IBRD or IDA (including as administrator of funds provided by another financier), as a result of: (i) a determination by IBRD or IDA that the Project Implementing Entity has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of any financing made by IBRD or IDA; and/or (ii) a declaration by another financier that the Project Implementing Entity is 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 Project Implementing 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.

(d) As a result of events which have occurred after the date of this Agreement, an extraordinary situation has arisen which makes it improbable that the Project Implementing Entity will be able to perform its obligations under the Project Agreement.

(e) The Project Implementing Entity’s Legislation has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of the Project Implementing Entity to perform any of its obligations under the Project Agreement.

(f) The World Bank has determined after the Effective Date referred to in Section 5.03 of this Agreement that prior to such date but after the date of this Agreement, an event has occurred which would have entitled the World Bank to suspend the Recipient’s right to make withdrawals from the Grant Account if this Agreement had been effective on the date such event occurred.
Article V

Effectiveness; Termination

5.01. 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 execution and delivery of this Agreement on behalf of the Recipient has been duly authorized or ratified by all necessary governmental action.

(b) The Subsidiary Agreement has been duly executed and delivered on behalf of the Recipient and the Project Implementing Entity.

(c) The Financing Agreement has been duly executed and delivered and all conditions precedent to its effectiveness or to the right of the Recipient to make withdrawals under it (other than the effectiveness of this Agreement) have been fulfilled.

(d) The Project Agreement has been duly executed and delivered on behalf of the Project Implementing Entity.

(e) The Recipient has taken or caused to be taken all actions necessary to ensure full compliance with all applicable environmental and social safeguards policies of the World Bank related to the relevant works proposed to be financed under Parts A.2, A.3 and A.4 of the Project, including: (i.1) a written report acceptable to the World Bank describing the prior and informed consultations that have taken place with any Displaced Persons, such report to have been signed by the authorized representative(s) of such Displaced Persons; (i.2) evidence satisfactory to the World Bank of payment of compensation to Displaced Persons; and (i.3) copies of the environmental management plans, satisfactory to the World Bank, that were included in each of the relevant construction contracts; in each case consistently with the principles and guidelines set forth or referred to in the Environmental Policy Framework and the Land Acquisition and Resettlement Framework, as the case may be; and

(f) The Recipient has taken actions satisfactory to the World Bank: (ii.1) regarding the Program Steering Committee’s membership and responsibilities in respect of the Project pursuant to paragraph 1 of Section I.A of Schedule 2 to the Financing Agreement; (ii.2) that the Project Implementing Entity has appointed a Project component manager in accordance with paragraph 3(a) of Section I.A of Schedule 2 to the Financing Agreement; and (iii) the Recipient has appointed a Project component manager in accordance with paragraph 3(b) of Section I.A of Schedule 2 to the Financing Agreement.

5.02. As part of the evidence to be furnished pursuant to Section 5.01 (a), there shall be furnished to the World Bank an opinion or opinions satisfactory to the World Bank of counsel acceptable to the World Bank or, if the World Bank so requests, a certificate satisfactory to the World Bank of a competent official of the Recipient, showing the following matters:

(a) on behalf of the Recipient, that this Agreement has been duly authorized or ratified by, and executed and delivered on its behalf and is legally binding upon it in accordance with its terms; and

(b) on behalf of the Recipient and the Project Implementing Entity, that the Subsidiary Agreement has been duly authorized or ratified by the Recipient and the Project Implementing Entity and is legally binding upon the Recipient and the Project Implementing Entity in accordance with its terms.
5.03. 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 5.01 ("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.

5.04. This Agreement and all obligations of the parties under it shall terminate if it has not entered into effect by the date 120 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 VI
Recipient's Representative; Addresses

6.01. Recipient's Representative. The Recipient’s Representative referred to in Section 7.02 of the Standard Conditions is the Minister of Finance.

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

Ministry of Finance  
Private Bag  
Apia, Independent State of Samoa  
Cable address: FINSEC  
Facsimile: 685-21312  
Apia  
Facsimile: 685-24779

6.03. 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 and International Development  
Association  
1818 H Street, N.W.  
Washington, D.C. 20433  
United States of America  
Cable: INTBAFRAD  
Telex: INDEVAS 248423 (MCI) or 1-202-477-6391  
Facsimile: 64145 (MCI)
**APPENDIX I**

**Performance Indicators**

<table>
<thead>
<tr>
<th>Project Development Objective</th>
<th>Project Outcome Indicators</th>
<th>Use of Outcome Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>To assist the relocation and rehabilitation of communities affected by the tsunami, through the provision of improved infrastructure access to relocation sites; enhanced transport infrastructure, and assistance to local communities to address future natural disasters.</td>
<td>① Restored road access to communities affected by the September 29, 2009 tsunami ③ Improved road and pedestrian access to relocation areas ⑤ More resilient road network, that provides continued access to populated areas during and after natural disasters</td>
<td>① To inform the GOS on the progress of rehabilitation and reconstruction efforts ③ To inform GOS planning for tsunami recovery and disaster preparedness ③ To adapt and update risk mitigation and response plans</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Intermediate Outcomes One per Component</th>
<th>Intermediate Outcomes Indicators</th>
<th>Use of Intermediate Outcome Monitoring</th>
</tr>
</thead>
<tbody>
<tr>
<td>Component 1: Upgrading of existing access tracks and seawalls</td>
<td>③ Improved access to relocation areas by upgrading and sealing of existing access roads ③ 20 km of existing access roads upgrade and sealed ③ 12 kms of Lepa - Lalomanu link road upgraded and sealed ③ % of relocated houses with improved transport access to social/educational/commercial opportunities</td>
<td>③ To plan and coordinate the provision of infrastructure and services effort to relocation areas</td>
</tr>
<tr>
<td>③ Restored protection of coastal roads and communities by repair and reconstruction of seawalls</td>
<td>③ 9 km of existing seawalls repaired</td>
<td></td>
</tr>
<tr>
<td>③ Reinstatement of access between coastal communities</td>
<td>③ Salani Bailey Bridge repaired</td>
<td></td>
</tr>
<tr>
<td><strong>Component 2: Community Coastal Infrastructure Management Plans</strong></td>
<td>③ Baseline information on</td>
<td>③ To support planning of</td>
</tr>
<tr>
<td>relocated areas</td>
<td>communities geo-referenced for use in maps</td>
<td>services for relocated communities</td>
</tr>
<tr>
<td>----------------</td>
<td>--------------------------------------------</td>
<td>-----------------------------------</td>
</tr>
<tr>
<td>③ Community Infrastructure and Risk Management plans established</td>
<td>③ District CIM plans updated and published ③ Community consultation on risk awareness performed</td>
<td>③ To support infrastructure and community resilience</td>
</tr>
</tbody>
</table>

**Component 3: East Coast Inland Route (Samusu-Lalomanu)**

| ③ Alternative east coast road link outside the cyclone and tsunami risk area | ③ Feasible route identified and road designed ③ Samusu - Lalomanu link road constructed (around 5km) ③ compliance with EMP | ③ To plan and coordinate the provision of infrastructure and services effort to relocation areas ③ To inform GOS strategy for road network development |

**Component 4: Dual-purpose pedestrian access improvements**

| ③ Improved pedestrian links to relocation areas and escape routes | ③ Feasible pedestrian links identified and designed ③ Feasible access pathways constructed | ③ To plan and coordinate the provision of infrastructure and services effort to relocation areas ③ To inform GOS on options for development of improved pedestrian access |

**Component 5: Project Management**

<p>| ③ Effective implementation and supervision of Project components | ③ Satisfactory Quarterly progress reports against work plan and budget delivered | ③ To track Project progress and identify actions and measures to facilitate Project delivery. |
| ③ Assessment of quantitative and qualitative impact of the Project | ③ Before-and after study of relocated communities ③ Accessibility indicators (time/distance to services, bus routes, etc) under normal conditions and under degraded network performance, such as may happen in the aftermath of a | ③ To monitor the effectiveness of the Project in meeting GOS and development objectives |</p>
<table>
<thead>
<tr>
<th></th>
<th>cyclone or tsunami</th>
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</thead>
</table>


## Arrangements for results monitoring

<table>
<thead>
<tr>
<th>Project Development Objective</th>
<th>Baseline</th>
<th>YR1</th>
<th>YR2</th>
<th>YR3</th>
<th>Frequency and Reports</th>
<th>Data Collection Instruments</th>
<th>Responsibility for Data Collection</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restored road access to communities affected by the September 29, 2009 tsunami</td>
<td>0</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>Semi-annual</td>
<td>LTA</td>
<td>LTA</td>
</tr>
<tr>
<td>Improved road and pedestrian access to relocation areas</td>
<td>0%</td>
<td>40%</td>
<td>80%</td>
<td>100%</td>
<td>Semi-annual</td>
<td>LTA</td>
<td>LTA</td>
</tr>
<tr>
<td>More resilient road network, that provides continued access to populated areas during and after natural disasters</td>
<td>NA</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>Semi-annual</td>
<td>LTA</td>
<td>LTA</td>
</tr>
<tr>
<td><strong>Intermediate Outcome Indicators</strong></td>
<td>Baseline</td>
<td>YR1</td>
<td>YR2</td>
<td>YR3</td>
<td>Frequency and Reports</td>
<td>Data Collection Instruments</td>
<td>Responsibility for Data Collection</td>
</tr>
<tr>
<td>Access restored for and emergency response and clean-up activities</td>
<td>0%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>Annual</td>
<td>LTA</td>
<td>LTA</td>
</tr>
<tr>
<td>Coastal protection repaired prior to next cyclone season</td>
<td>NA</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>Semi-annual</td>
<td>LTA</td>
<td>LTA</td>
</tr>
<tr>
<td>20 km of existing access roads upgrade and sealed</td>
<td>0%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>Annual</td>
<td>LTA</td>
<td>LTA</td>
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<tr>
<td>10 km of Lepa - Lalomanu link road upgraded and sealed</td>
<td>NA</td>
<td>50%</td>
<td>100%</td>
<td>100%</td>
<td>Semi-annual</td>
<td>LTA</td>
<td>LTA</td>
</tr>
<tr>
<td>% of relocated houses with improved transport access to social/educational/commercial opportunities</td>
<td>0%</td>
<td>50%</td>
<td>80%</td>
<td>100%</td>
<td>Annual</td>
<td>Beneficiary survey</td>
<td>LTA</td>
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<tr>
<td>9 km of existing seawalls repaired</td>
<td>0%</td>
<td>50%</td>
<td>80%</td>
<td>100%</td>
<td>Semi-annual</td>
<td>LTA</td>
<td>LTA</td>
</tr>
<tr>
<td>Salani Bailey Bridge repaired</td>
<td>NA</td>
<td>0%</td>
<td>100%</td>
<td>100%</td>
<td>Annual</td>
<td>LTA</td>
<td>LTA</td>
</tr>
<tr>
<td>New structures in relocated communities geo-referenced for</td>
<td>NA</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>Annual</td>
<td>MNRE</td>
<td>MNRE</td>
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<td></td>
<td>NA</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>Annual</td>
<td>MNRE</td>
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<tr>
<td>District CIM plans updated and</td>
<td>NA</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>Annual</td>
<td>MNRE</td>
<td>MNRE</td>
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<td>published</td>
<td></td>
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<tr>
<td>Community consultation on risk</td>
<td>NA</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>Annual</td>
<td>MNRE</td>
<td>MNRE</td>
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<td>awareness performed</td>
<td></td>
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<tr>
<td>Feasible route identified and road</td>
<td>NA</td>
<td>50%</td>
<td>100%</td>
<td>100%</td>
<td>Annual</td>
<td>LTA</td>
<td>LTA</td>
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<td>Samusu - Lalomanu link road</td>
<td>NA</td>
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<td>50%</td>
<td>100%</td>
<td>Annual</td>
<td>LTA</td>
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<td>constructed (around 5 km)</td>
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<td>100% compliance with EMP</td>
<td>NA</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Annual</td>
<td>LTA</td>
<td>LTA</td>
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<td>Feasible pedestrian links</td>
<td>NA</td>
<td>0%</td>
<td>50%</td>
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<td>Feasible access pathways</td>
<td>NA</td>
<td>0%</td>
<td>50%</td>
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<td>LTA</td>
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<td>Quarterly progress reports against</td>
<td>NA</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>Quarterly</td>
<td>LTA</td>
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<td>work plan and budget</td>
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</tbody>
</table>
| Before-and after study of             | NA | 50%  | 50%  | 100% | Annual | Beneficiary survey | LTA |}

| Accessibility indicators              | NA | 50%  | 50%  | 100% | Annual | Beneficiary survey | LTA |
APPENDIX II

National Competitive Bidding Procedures

The procedure to be followed for National Competitive Bidding shall be those set forth in the provisions on competitive bidding in the Guidelines for Government Procurement by Public Tender (February 2003) with the modifications set forth below in order to ensure economy, efficiency and transparency and broad consistency with the provisions of Section I of the “Guidelines for Procurement under IBRD Loans and IDA Credits” published in May 2004 and revised in October 2006 and May 2010 (the Guidelines), as required by paragraph 3.3 and 3.4 of the Guidelines:

Eligibility

(i) The eligibility of bidders shall be as defined under Section I of the World Bank’s Guidelines; accordingly, no bidder or potential bidder shall be declared ineligible for contracts financed by the World Bank for reasons other than those provided in Section I of the Guidelines. Foreign bidders shall be eligible to participate in bidding under the same conditions as national bidders. In particular, no domestic preference over foreign bidders shall be granted to national bidders in bid evaluation, nor shall foreign bidders be asked or required to form joint ventures with national bidders in order to submit a bid.

Registration

(ii) Registration shall not be used to assess bidders’ qualifications. A foreign bidder shall not be required to register as a condition for submitting its bid and, if determined to be the lowest evaluated responsive bidder, shall be given reasonable opportunity of registering, without any let or hindrance. The registration process shall not be applicable for Subcontractors. Bidding shall not be restricted to any particular class of contractors, and non-classified contractors shall also be eligible to bid.

Advertising; Time for Bid Preparation

(iii) Invitations to bid shall be advertised in at least one newspaper of national circulation, allowing a minimum of thirty (30) days for the preparation and submission of bids except for commodities and small goods contract. Potential bidders shall be allowed to purchase bidding documents up to any time prior to the deadline for submission of bids.

Standard Bidding Documents

(iv) Standard Bidding Documents, acceptable to the World Bank, shall be used.

Qualification Criteria

(v). Qualification criteria shall be clearly specified in the bidding documents, and all criteria so specified, and only such specified criteria, shall be used to determine whether a bidder is qualified. Qualification shall be assessed on a pass or fail basis. Such assessment shall only take into account the bidder’s capacity and resources to perform the contract, specifically its experience and past performance on similar contracts, capabilities with respect to personnel, equipment and construction and manufacturing facilities, and financial capacity. The evaluation of the bidder’s qualifications shall be conducted separately from the technical and commercial evaluation of the bid.
Bid Submission, Bid Opening and Bid Evaluation
(vi). Bidders may submit bids, at their option, either in person or by courier service or by mail. Bids shall be opened in public, immediately after the deadline for submission of bids. Bids received after the deadline for bid submission shall be rejected and returned to the bidders unopened.

(a) All bidding for goods and works shall be carried out through a one-envelope procedure.

(b) Evaluation of bids shall be made in strict adherence to the criteria that shall be clearly specified in the bidding documents and quantified in monetary terms for evaluation criteria other than price; merit points shall not be used in bid evaluation.

(c) A contract shall be awarded to the substantially responsive bid that offers the lowest evaluated cost and no negotiations shall be permitted. A bidder shall not be required, as a condition for award, to undertake obligations not specified in the bidding documents or otherwise modify the bid as originally submitted.

(d) Bidders shall not be eliminated from detailed evaluation on the basis of minor, non-substantial deviations.

(e) No bidder shall be rejected on the basis of a comparison with the Recipient’s estimate and budget ceiling without the World Bank’s prior concurrence.

(f) A copy of the minutes of the public bid opening shall be promptly provided to all bidders, and to the World Bank with respect to contracts subject to prior review.

Rejection of All Bids and Re-bidding
(vii) All bids shall not be rejected or new bids solicited without World Bank’s prior written concurrence.

Extension of the Validity of Bids
(viii) Extension of validity of bids may be allowed in exceptional circumstances, but there shall be no amendment of the price or any other condition of the bids. Bidders may refuse such an extension without forfeiting their bid securities, but bidders who are willing to extend validity of their bids shall be required to provide a suitable extension of their bid securities.

Complaints by Bidders and Handling of Complaints
(ix). The Recipient shall establish and implement an effective and independent protest mechanism allowing bidders to protest and to have their protests handled in a timely manner.

Fraud and Corruption
(x). The World Bank shall declare a firm or individual ineligible, either indefinitely or for a stated period, to be awarded a contract financed by the World Bank, if it at any time determines that the firm or individual has, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive or obstructive practices in competing for, or in executing, a contract financed by the World Bank.

Right to Inspect/Audit
(xi). Each bidding document and contract financed from the proceeds of a Financing shall include a provision requiring bidders, suppliers, contractors and subcontractors to permit the World 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 World Bank. The deliberate and material violation by the bidder, supplier, contractor or subcontractor of such provision may amount to obstructive practice.