Project Agreement

(Multi-Sectoral Action for Nutrition Project)

between

INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION
acting as administrator of the Pakistan Partnership for Improved
Nutrition Multi-Donor Trust Fund

and

PROVINCE OF SINDH

Dated Nov, 8, 2017
PROJECT AGREEMENT

Agreement dated \textit{Nov. 8}, 2017, entered into between the INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT/INTERNATIONAL DEVELOPMENT ASSOCIATION acting as administrator of the Pakistan Partnership for Improved Nutrition Multi-Donor Trust Fund ("World Bank") and the PROVINCE OF SINDH ("Project Implementing Entity") ("Project Agreement"), in connection with the Grant Agreement ("Grant Agreement") of 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:

\textbf{ARTICLE I — STANDARD CONDITIONS; DEFINITIONS}

1.01. The Standard Conditions (as defined in the Appendix to the Grant 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 Grant Agreement or the Standard Conditions.

\textbf{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 II of the Standard 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 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 Agreement.

\textbf{ARTICLE III — REPRESENTATIVE; ADDRESSES}

3.01. The Project Implementing Entity’s Representatives is the Chairman P&D Board of the Planning and Development Department of the Province of Sindh.
3.02. The Association’s Address is:

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

Facsimile:
1-202-477-6391

3.03. The Project Implementing Entity’s Address is:

Planning and Development Department
Government of Sindh
2nd Floor, Secretariat II
Tughlaq House
Karachi, Province of Sindh
Islamic Republic of Pakistan

Facsimile:
92-21-99211921
AGREED at Islamabad, Islamic Republic of Pakistan, as of the day and year first above written.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION
acting as administrator of the Pakistan Partnership for Improved Nutrition Multi-Donor Trust Fund

By

Authorized Representative

Name: ____________________________
Title: ____________________________

PROVINCE OF SINDH

By

Authorized Representative

Name: SAIJD JAMAL ABRO
Title: Secretary, Agriculture
SCHEDULE

Execution of the Project

Section I. Implementation Arrangements

A. Institutional and Other Arrangements.

1. Without limitation upon the provisions of Section 2.01 of this Agreement, the Project Implementing Entity shall implement the Project through its Local Government Department and DOA in collaboration with DOLF.

2. PNSC

The Project Implementing Entity shall maintain, throughout the period of implementation of the Project, the following structures, all with a mandate, composition, staffing and resources acceptable to the World Bank: (a) the PNSC, to be responsible for oversight, steering and coordinating the sanitation and agriculture activities under the Project, and providing strategic direction for integrated approach for improving nutrition; and (b) the WASH Technical Committee and the A4N Technical Committee to be responsible for providing sector-specific technical inputs/support to the PNSC.

3. Project Management Office and Project Management Unit

The Project Implementing Entity shall: (a) establish by not later than four (4) months after the signature date of this Agreement, and thereafter maintain throughout the period of implementation of the Project the Project Management Office; and (b) maintain, throughout the period of implementation of the Project with a mandate, composition, staffing and resources acceptable to the World Bank, each PMU within the Local Government Department and DOA/DOLF, to be responsible for providing overall strategy and management support to the Project, including, overseeing the implementation of the sanitation and agriculture for nutrition activities under the Project in their respective sectors.

B. Project Operations Manual

The Project Implementing Entity shall carry out the Project in accordance with the arrangements and procedures set out in the Project Operations Manual (provided, however, that in the event of any conflict between the arrangements and procedures set out in the Project Operations Manual and the provisions of this Agreement or the Grant Agreement, the provisions of this Agreement or the Grant Agreement, as applicable, shall prevail), and not amend, abrogate or waive any provision of
C. Environmental and Social Safeguards

1. The Project Implementing Entity shall carry out the Project in accordance with the Environmental and Social Management Framework, including the RPF and Integrated Pest Management Plan.

2. Whenever the preparation of an Environmental and Social Management Plan, a RAP and/or amendment of the IPMP shall be required for any proposed Project activity in accordance with the provisions of the ESMF, including the RPF, the Project Implementing Entity shall ensure that: (a) prior to the commencement of such activity, such plan(s) is/are, as applicable: (i) prepared and/or amended and furnished to the World Bank for review and no-objection; (ii) disclosed and consulted upon in accordance with the provisions of the ESMF, including the RPF, as the case may be; and (iii) thereafter finalized and adopted as accepted by the World Bank, in a manner satisfactory to the World Bank; and (b) thereafter such measures are taken as shall be necessary or appropriate to ensure compliance with the requirements of such plan(s).

3. The Project Implementing Entity shall not amend, abrogate or waive, or permit to be amended, abrogated or waived, the ESMF, including the RPF and IPMP, and any ESMP and RAP, unless the World Bank has provided its prior no-objection thereof in writing, and the Recipient has ensured compliance with the same consultation and disclosure requirements as applicable to the original adoption of the said instruments.

4. The Project Implementing Entity shall ensure that: (a) all terms of reference for any technical assistance or studies carried out under the Project are consistent with, and pay due attention to, the World Bank's environmental and social safeguards policies, as well as the Recipient's own laws relating to environment and social safeguards; and (b) in drafting any regulations, guidelines or procedures and carrying out capacity building activities under the Project, due attention is given to said policies and laws, in accordance with the guidelines set forth in the ESMF.

5. Without limitation upon its other reporting obligations under this Agreement, the Project Implementing Entity shall ensure that consolidated reports on the status of compliance with the ESMF, including the RPF, the IPMP, and the RAP and ESMP are collected, compiled and furnished to the World Bank as part of each Project Report (or such other frequency as may be agreed with the World Bank), and promptly in a separate report whenever the circumstances warrant, giving details of:

(a) measures taken in accordance with the said instruments;
(b) conditions, if any, which interfere or threaten to interfere with the implementation of the said measures; and

(c) remedial measures taken or required to be taken to address such conditions.

6. In the event of any conflict between the provisions of any of the ESMF, including the RPF and the IPMP, any RAP and/or any ESMP, and the provisions of this Agreement, the provisions of this Agreement shall prevail.

D. Annual Work Plans and Budgets

The Project Implementing Entity shall:

(a) prepare and adopt by not later than April 30th of each year, an annual work plan and budget for the following fiscal year in a manner and substance satisfactory to the World Bank, which plan shall identify the Project activities by component and subcomponent, together with their related expenditures and financing sources. Notwithstanding the foregoing, the first such annual work plan and budget for the first year of Project implementation shall be prepared by not later than two (2) months after the signature date of this Agreement; and thereafter,

(b) implement the Project activities during the relevant fiscal year in accordance such annual work plan and budget as so discussed and agreed with the World Bank.

E. Grievances Redressal

The Project Implementation Entity shall establish by not later than two (2) months after the signature date of this Agreement, and thereafter maintain throughout the period of Project implementation, a grievance redressal mechanism satisfactory to the World Bank, for the handling of any complaints arising out of Project implementation.

F. Subprojects.

1. General

The Project Implementing Entity shall review and approve applications for ODF Subgrants and A4N Subgrants, and thereafter monitor and evaluate Subprojects, in accordance with the provisions of this Part F and the Project Operations Manual.
2. **Eligibility**

The Project Implementing entity shall provide ODF Subgrants and A4N Subgrants in accordance with eligibility criteria acceptable to the World Bank, set forth in the Project Operations Manual, and which shall include the following:

(a) the Subproject application sets forth the Subproject objectives, activities, benefits, management arrangements, including for financial management, and a budget, including for operation and maintenance;

(b) the Subproject has been assessed by to be technically and economically feasible, and environmentally sustainable;

(c) the Subproject is consistent with the relevant technical, economic, financial, managerial, environmental, and social standards; and

(d) the Subproject complies with the ESMF, including the RPF, for all Subgrants, and with the IPMP, in the case of A4N Subgrants, as well as each EMP, RAP and/or amendment to the IPMP as may be required for the purposes of the Subproject per the EMSF.

3. **Terms**

The Project Implementing Entity shall provide each ODF Subgrant and A4N Subgrant pursuant to a Subproject Grant Agreement to be entered into between the Project Implementing Entity and the respective ODF Subgrant Recipient and A4N Subgrant Recipient on terms and conditions approved by the World Bank, which shall include the following:

(a) the amount of the ODF Subgrant and A4N Subgrant, a description of the Subproject, its budget, and the applicable performance indicators;

(b) the right of the Project Implementing Entity to suspend or terminate the right of the ODF Subgrant Recipient and A4N Subgrant Recipient to use the proceeds of the ODF Subgrants and A4N Subgrants, or obtain a refund of all or any part of the amount of the ODF Subgrants and A4N Subgrants then withdrawn, upon the ODF Subgrant Recipient’s and A4N Subgrant Recipient’s failure to perform any of its obligations under the Subproject Grant Agreement; and

(c) the obligation of the ODF Subgrant Recipient and A4N Subgrant Recipient to:

(i) carry out the Subproject with due diligence and efficiency and in accordance with sound technical, economic, financial,
managerial, environmental, and social standards and practices satisfactory to the World Bank, including in accordance with the provisions of the Anti-Corruption Guidelines applicable to recipients of grant proceeds other than the Recipient, the Project Operations Manual, and the ESMF, including the RPF, and IPMP and each EMP and RAP;

(ii) prior to the award of any contract for the implementation of the Subproject, carry out a screening of the Subproject for potential environmental and social impacts and carry out the Subproject in accordance with the provisions of the ESMF;

(iii) provide, promptly as needed, the resources required for the purpose of the Subproject;

(iv) procure the goods, works, and services to be financed out of the ODF Subgrant and A4N Subgrant in accordance with procedures consistent with Section III of this Schedule and set forth in the Project Operations Manual;

(v) (A) maintain accounts and records acceptable to the World Bank and adequate to reflect the operations, resources, and expenditures related to the Subproject; and (B) at the Project Implementing Entity’s or the World Bank’s request, have such accounts and records audited by independent auditors acceptable to the World Bank, in accordance with consistently applied auditing standards acceptable to the World Bank, and promptly furnish the accounts and records as so audited to the Recipient and the World Bank;

(vi) enable the Recipient, the Project Implementing Entity and the World Bank to inspect the Subproject, its operation, and any relevant records and documents; and

(vii) prepare and furnish to the Project Implementing Entity and the World Bank all such information as the Recipient or the World Bank shall reasonably request relating to the foregoing.

4. The Project Implementing Entity shall exercise its rights under each Subproject 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 Project Implementing Entity shall not assign, amend, abrogate or waive, or permit to be assigned, amended, abrogated or waived, any Subproject Grant Agreement or any provisions thereof.
G. 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

The Project Implementing Entity 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 Project Operations Manual. Each such Project Report shall cover the period of one (1) calendar quarter, and shall be furnished to the Recipient not later than forty-five (45) days after the end of the period covered by such report for incorporation and forwarding by the Recipient to the World Bank of the overall Project Report.

B. Financial Management, Financial Reports and 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 World 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 have its financial statements referred to above audited by independent auditors acceptable to the Association, in accordance with consistently applied auditing standards acceptable to the Association. Each audit of these financial statements shall cover the period of one (1) fiscal year of the Project Implementing Entity. The Project Implementing Entity shall ensure that the audited financial statements for each period shall be: (a) furnished to the Recipient and the World Bank not later than six (6) months after the end of the period; and (b) made publicly available in a timely fashion and in a manner acceptable to the World Bank.

Section III. Procurement

All goods, works, 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 provisions of Section III of Schedule 2 to the Grant Agreement.