Project Agreement

(Addressing Family and Sexual Violence in Extractive Industries Areas of PNG Project)

between

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

ACTING AS ADMINISTRATOR OF GRANT FUNDS PROVIDED BY VARIOUS DONORS UNDER THE STATE- AND PEACE-BUILDING FUND

and

MINERAL RESOURCES AUTHORITY

Dated 21 January, 2016
PROJECT AGREEMENT

Agreement dated January 21, 2016, entered into between the International Bank for Reconstruction and Development/International Development Association ("World Bank"), acting as administrator of grant funds provided by various donors under the State- and Peace-Building Fund and the Mineral Resources Authority ("Project Implementing Entity") ("Project Agreement") in connection with the Grant Agreement ("Agreement") of same date between the Independent State of Papua New Guinea ("Recipient") and the World Bank. The World Bank and the Project Implementing Entity hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

1.01. The Standard Conditions (as defined in Section 1.02 of the Annex to the Agreement) constitute an integral 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 Agreement or the Standard 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 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 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 — REPRESENTATIVE; ADDRESSES

3.01. The Project Implementing Entity’s Representative is the Managing Director of the Mineral Resources Authority.

3.02. The World Bank’s Address is:

International Bank for Reconstruction and Development
International Development Association
1818 H Street, NW
Washington, DC 20433
United States of America
Cable: Telex: Facsimile:
INDEVAS 248423(MCI) 1-202-477-6391
Washington, D.C.

3.03. The Project Implementing Entity's Address is:

Mining Haus, Poreporena Highway
PO Box 1906
Port Moresby 121, NCD
Papua New Guinea

Telephone Facsimile:
+6753213511 +6753215711

AGREED at _______ Jan 21, 2016 as of the day and year first above written.

INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

By  
Authorized Representative
Name: Skeanie Shallmister
Title: Country Manager

MINERAL RESOURCES AUTHORITY

By  
Authorized Representative
Name: Philip Stahl
Title: Managing Director
Section I. Implementation Arrangements

A. Institutional Arrangements.

(1) The Project Implementing Entity, particularly its Special Projects Unit shall be responsible for the implementation of the Project, including the overall coordination, financial management and procurement functioning under the Project.

(2) The Project Implementing Entity shall ensure that appropriate coordination and inputs are obtained from relevant authorities of the Recipient and other stakeholders in the carrying of the Project, including FSVAC and RJIA.

(3) The Project Implementing Entity shall take all measures necessary in the implementation of the Project to mitigate the inherent risks associated with addressing FSV in the Project communities, through engaging qualified experts on FSV, including local experts who understand the culture and sensitivity of FSV and drawing from best practices and lessons learned.

B. Subsidiary Grant Agreement.

The Project Implementing Entity shall perform its obligations under the Subsidiary Grant Agreement. Except as the Recipient and the World Bank shall otherwise agree, the Project Implementing Entity shall not assign, amend, abrogate or waive the Subsidiary Grant Agreement or any of its provisions.

C. Safeguards.

(1) The Project Implementing Entity shall ensure that each contract for minor works including renovation, rehabilitation and equipping of existing infrastructure of Family Support Centers/Safe Houses under the Project include the obligation of the relevant contractor and any sub-contractors to comply with the relevant provisions of national law and national environmental practices applicable to such minor works commissioned/awarded pursuant to said contract.

(2) The Project Implementing Entity shall ensure that the following activities shall not be eligible to be carried out under the Project and to be funded under the Project: activities involving construction of new infrastructure and major rehabilitation works.

(3) The Project Implementing Entity shall ensure that (i) all the terms of reference for any technical assistance or studies carried out under the Project are consistent with the World Bank’s environmental and social safeguards policies; and (ii) in drafting any guidelines or corporate procedures and carrying out capacity building activities under the Project, due attention is given to said policies.
D. 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 in accordance with the provisions of Section 2.06 of the Standard Conditions and on the basis of the indicators set forth below in paragraph 2 of this Section. Each such Project Report shall cover the period of one (1) calendar semester, and shall be furnished to the Recipient not later one (1) month 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.

2. The performance indicators referred to above in paragraph 1 consist of the following:

(a) Percent (%) of surveyed public service providers in extractive industries communities who know how to provide qualified compassionate care (as evaluated by technical specialists);

(b) among self-identified users of FSV services, percent (%) of users who are satisfied with the quality of care received from public service providers;

(c) percent (%) of household survey respondents who say that FSV is not socially acceptable; and

(d) number of companies that have signed on to a national extractive industries charter on FSV.

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 ensure that interim unaudited financial reports for the Project are prepared and furnished to the Recipient and 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.

3. The Project Implementing Entity 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, unless otherwise requested by the World Bank. The Project Implementing Entity shall ensure that the audited financial statements for such 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 and services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the provisions of Section 2.07 of the Annex to the Agreement.