Project Agreement

(Enhancing Climate Resilience of the West Coast Road Project)

between

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

and

LAND TRANSPORT AUTHORITY

Dated March 1, 2012
PROJECT AGREEMENT

Agreement dated March 1, 2012, entered into between INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (the "World Bank") acting as Implementing Agency of the Pilot Program for Climate Resilience ("PPCR") under the Strategic Climate Fund ("SCF"), and LAND TRANSPORT AUTHORITY (the "Project Implementing Entity") (the "Project Agreement") in connection with the Project Preparation Grant Agreement TF099652 for the Enhancing Climate Resilience of the West Coast Road Project.

The World Bank and the Project Implementing Entity hereby agree as follows:

ARTICLE I — STANDARD CONDITIONS; DEFINITIONS

1.01. The Standard Conditions (as defined in the Project Preparation 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 Project Preparation Grant 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: (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 and revised in January 2011 ("Anti-Corruption Guidelines"), 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.

ARTICLE IV — REPRESENTATIVE; ADDRESSES

4.01. The Project Implementing Entity’s Representative is the Chief Executive Officer of the Land Transport Authority.
4.02. The World Bank's Address is:

International Development Association
1818 H Street, NW
Washington, DC 20433
United States of America

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

4.03. The Project Implementing Entity's Address is:

Land Transport Authority
P.O. Box 1607
Apia
Independent State of Samoa

Telephone: +685 26740
Facsimile: +685 26739

AGREED at Sydney, Australia as of the day and year first above written.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By:

Authorized Representative

LAND TRANSPORT AUTHORITY

By:

Authorized Representative
SCHEDULE

Execution of the Project

Section I. Implementation and Institutional Arrangements

The Project Implementing Entity shall be responsible for implementing the Project including: (i) carrying out, with the assistance of adequately qualified consultants, the technical aspects of the Project; (ii) carrying out the fiduciary aspects (procurement, financial management, disbursement and audit functions) of the Project; (iii) preparing, and submitting to the World Bank, quarterly and annual progress reports; and (iv) carrying out monitoring and evaluation functions under the Project.

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 indicators agreed with the World Bank. Each such Project Report shall cover the period of one (1) calendar quarter, and shall be furnished to the Recipient not later than 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 Project Implementing Entity shall provide to the Recipient not later than four (4) months after the Closing Date, for incorporation in the report referred to in Section 2.06 of the Standard Conditions all such information as the Recipient or the World Bank shall reasonably request for the purposes of such Section.

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 World Bank, in accordance with consistently applied auditing standards acceptable to the World Bank. Each audit of these financial statements shall cover the period of one (1) fiscal year of the Project Implementing Entity. The audited financial statements
for each period shall be furnished to the World Bank not later than six (6) months after the end of the period.

Section III. **Procurement**

All consultants' services required for the Project and to be financed out of the proceeds of the Project Preparation Grant shall be procured in accordance with the provisions of Section 2.07 of the Project Preparation Grant Agreement.