Project Agreement

(Additional Financing for the Social Safety Net Project)

between

INTERNATIONAL DEVELOPMENT ASSOCIATION

and

AGENCE DJIBOUTIENNE DE DEVELOPPEMENT SOCIAL

Dated December 8, 2014
CREDIT NUMBER 5544-DJ

PROJECT AGREEMENT

AGREEMENT dated December 8, 2014, entered into between INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association") and AGENCE DJIBOUTIENNE DE DEVELOPPEMENT SOCIAL ("Project Implementing Entity") ("Project Agreement") in connection with the Financing Agreement ("Financing Agreement") of same date between the REPUBLIC OF DJIBOUTI ("Recipient") and the Association. The Association and the Project Implementing Entity hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

1.01. The General Conditions (as defined in the Appendix to the Financing 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 Financing Agreement or the General 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 IV of the General 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 Association 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 III — REPRESENTATIVE; ADDRESSES

3.01. The Project Implementing Entity’s Representative is the General Director of the Agence Djiboutienne de Développement Social.

3.02. The Association’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

Washington, D.C.
3.03. The Project Implementing Entity's Address is:

Agence Djiboutienne de Développement Social
Avenue Mohamed Djama Elabé
BP 4298 Djibouti
Republic of Djibouti

Cable: (253)21358655
Telex: (253)21357184
Facsimile: 

AGREED at Djibouti, Republic of Djibouti as of the day and year first above written.

INTERNATIONAL DEVELOPMENT ASSOCIATION

By _______________________________
Authorized Representative

Name: HOMA-ZAHRA FOTOUI
Title: RESIDENT REPRESENTATIVE

AGENCE DJIBOUTIENNE DE DEVELOPPEMENT SOCIAL

By _______________________________
Authorized Representative

Name: MAUDE MOHAMED DJAMA
Title: DIRECTEUR GENERAL
SCHEDULE

Execution of the Project

Section I. Implementation Arrangements

A. Institutional Arrangements

1. The Project Implementing Entity shall ensure the implementation and coordination of the Project and to undertake the fiduciary support of the implementation of the Project, including the disbursement, financial management and procurement activities, as well as monitoring and evaluation.

2. With respect to Part B of the Project, the Project Implementing Entity shall: (i) implement the Project in collaboration with the MoH under the Framework Agreement; (ii) ensure that all supplementation and distribution protocols are in line with the latest WHO recommendations and evidence of best practices; and (iii) select the NGOs and/or facilitators in accordance with the eligibility criteria set forth in the POM and evaluate their activity based on performance indicators established in the POM. The Project Implementing Entity shall ensure that the Original Framework Agreement shall be amended in a manner satisfactory to the Association not later than two (2) months after the Effective Date.

3. Throughout the period of implementation of the Project, the Project Implementing Entity shall carry out the Project in accordance with the provisions of the POM and shall not amend, suspend, abrogate, repeal or waive any of its provisions without the prior approval of the Association.

B. Subsidiary Agreement

The Project Implementing Entity shall exercise its rights under the Subsidiary Agreement in such manner as to protect the interests of the Recipient, the Project Implementing Entity and the Association and to accomplish the purposes of the Financing. Except as the Association shall otherwise agree, the Project Implementing Entity shall not assign, amend, abrogate or waive the Subsidiary Agreement or any of its provisions.

C. Anti-Corruption

The Project Implementing Entity shall ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.

D. Safeguards

1. The Project Implementing Entity shall carry out the implementation of the Project in accordance with the safeguard provisions set forth in the Environmental and Social Screening Assessment Framework (ESSAF) and shall not waive, amend, abrogate, or otherwise revise any provisions thereof without the prior approval of the Association.
2. The Project Implementing Entity shall ensure that, prior to approval of the community works to be financed under Part A of the Project, specific Environmental Management Plans (EMPs) are developed and adopted for each of the respective community works in accordance with and as required by the ESSAF.

3. For the purposes of carrying out Part A of the Project, the Project Implementing Entity shall select the community works in accordance with the safeguard eligibility criteria set forth in the ESSAF which shall refer to, inter alia:

   (i) exclusion of any community works whose implementation requires involuntary acquisition of land;

   (ii) securing of a written confirmation on public land ownership and/or private land ownership from local and administrative authorities and/or private owners respectively prior to launch of the respective community work in the selected zone; and

   (iii) exclusion of any community works classified as environmental Category A project in accordance with the applicable Association’s policies and procedures.

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 4.08 of the General Conditions and on the basis of indicators acceptable to the Association. Each such Project Report shall cover the period of one calendar semester, and shall be furnished to the Recipient not later two weeks after the end of the period covered by such report for incorporation and forwarding by the Recipient to the Association 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 Association, 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 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 Association not later than six months after the end of the period; and (b) made publicly available in a timely fashion and in a manner acceptable to the Association.
Section III. **Procurement**

All goods, works 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 III of Schedule 2 to the Financing Agreement.