
GRANT NUMBER 0619-INO

GRANT AGREEMENT
(Asia Pacific Disaster Response Fund)
(Sulawesi Tsunami Emergency Response Project)

between

REPUBLIC OF INDONESIA

and

ASIAN DEVELOPMENT BANK

DATED 28 December 2018

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**GRANT AGREEMENT
(Asia Pacific Disaster Response Fund)**

GRANT AGREEMENT dated 28 December 2018 between REPUBLIC OF INDONESIA ("Recipient") and ASIAN DEVELOPMENT BANK ("ADB").

WHEREAS

(A) the Recipient has applied to ADB for a grant for the purposes of the Project described in Schedule 1 to this Grant Agreement; and

(B) ADB has agreed to provide a grant to the Recipient from ADB's Asia Pacific Disaster Response Fund resources upon the terms and conditions hereinafter set forth;

NOW THEREFORE the Recipient and ADB agree as follows:

ARTICLE I

Grant Regulations; Definitions

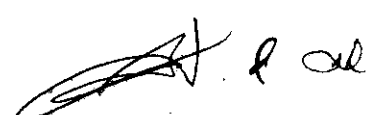
Section 1.01. All provisions of the Asia Pacific Disaster Response Fund Grant Regulations of ADB, dated 1 April 2009 (the "Grant Regulations"), are hereby made applicable to this Grant Agreement with the same force and effect as if they were fully set forth herein.

Section 1.02. The definitions set forth in the Grant Regulations are applicable to this Grant Agreement unless the context requires otherwise. In addition, the following term has the following meaning: "Auditors" means the supreme audit institution of the Recipient, or independent auditors whose qualifications, experience and terms of reference are acceptable to ADB.

ARTICLE II

The Grant

Section 2.01. ADB agrees to make available to the Recipient from ADB's Asia Pacific Disaster Response Fund resources on terms and conditions set forth in this Agreement an amount of three million Dollars (\$3,000,000).



ARTICLE III

Use of Proceeds of the Grant

Section 3.01. The Recipient shall cause the proceeds of the Grant to be applied to the financing of expenditures on the Project in accordance with the provisions of this Grant Agreement.

Section 3.02. The Grant shall be withdrawn from the Grant Account in a single payment to be made in accordance with the provisions of Schedule 2 to this Grant Agreement.

Section 3.03. All goods, works and consulting services to be financed out of the proceeds of the Grant shall be procured in accordance with the laws and regulations of the Recipient relating to procurement.

Section 3.04. The Grant Closing Date for the purposes of Section 8.02 of the Grant Regulations shall be the date which is 6 months after the date of this Grant Agreement or such other date as may from time to time be agreed between the Recipient and ADB. The Recipient shall not use the proceeds of the Grant, or allow the proceeds of the Grant to be used, for any expenditures incurred after the Grant Closing Date.

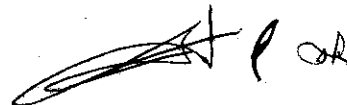
ARTICLE IV

Particular Covenants

Section 4.01. (a) The Recipient shall (i) maintain, or cause to be maintained, separate accounts and records for the Project; (ii) prepare financial statements for the Project in accordance with financial reporting standards acceptable to ADB; (iii) have such financial statements audited by the Auditors; (iv) as part of such audit, have the Auditors prepare a report, which includes the Auditors' opinion(s) on the financial statements and the use of the Grant proceeds, and a management letter (which sets out the deficiencies in the internal control of the Project that were identified in the course of the audit, if any); and (v) furnish to ADB, no later than 6 months after receipt by ADB of the statement of expenditures referred to in Schedule 2 to this Grant Agreement, certified copies of such audited financial statements, audit report and management letter, all in the English language, and such other information concerning these documents and the audit thereof as ADB shall from time to time reasonably request.

(b) ADB shall disclose the annual audited financial statements for the Project and the opinion of the auditors on the financial statements within 14 days of the date of ADB's confirmation of their acceptability by posting them on ADB's website.

(c) The Recipient shall enable ADB, upon ADB's request, to discuss the Recipient's financial statements for the Project with the Auditors, and shall authorize and require any representative of such Auditors to participate in any such discussions requested



by ADB, provided that any such discussion shall be conducted only in the presence of an authorized officer of the Recipient unless the Recipient shall otherwise agree.

Section 4.02. The Recipient shall enable ADB's representatives to inspect the Project, the goods, works and services financed out of the proceeds of the Grant, and any relevant records and documents.

Section 4.03. The Recipient shall include in bidding documents and contracts financed in whole or in part out of the Grant a provision requiring bidders, suppliers, contractors, and consultants to permit ADB or its representative to inspect their accounts and records and other documents relating to the bid submission and contract performance and to have them audited by auditors appointed by ADB.

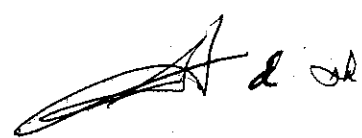
Section 4.04. The Recipient shall include in contracts financed in whole or in part out of the Grant an undertaking by the suppliers, contractors and the consultants that no fees, gratuities, rebates, gifts, commissions, or other payments, except those shown in the bid or the proposal, have been given or received in connection with the procurement process, the consultant selection process or in contract execution.

Section 4.05. ADB reserves the right to reject a proposal for award if it determines that the bidder or the consultant, as the case may be, recommended for award has directly or through an agent, engaged in corrupt, fraudulent, collusive, or coercive practices in competing for the contract in question.

Section 4.06. ADB reserves the right to sanction a party or its successor, including declaring ineligible, either indefinitely or for a stated period of time, such party or successor from participating in ADB-financed activities if it at any time determines that the party has, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive or other prohibited practices in competing for, or in executing, an ADB-financed contract.

Section 4.07. For the purposes of Section 4.05 and Section 4.06, the following terms shall have the following meanings:

- (a) "coercive practice" means impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;
- (b) "collusive practice" means an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party;
- (c) "corrupt practice" means the offering, giving, receiving, or soliciting, directly or indirectly, anything of value to influence improperly the actions of another party; and
- (d) "fraudulent practice" means any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation.



ARTICLE V**Miscellaneous**

Section 5.01. The Secretary General of the National Disaster Management Authority of the Recipient is designated as representative of the Recipient for the purposes of Section 11.02 of the Grant Regulations.

Section 5.02. The following addresses are specified for the purposes of Section 11.01 of the Grant Regulations:

For the Recipient

National Disaster Management Authority (BNPB)
Graha BNPB, 4th Fl.
Jl. Pramuka, Kav. 38
Jakarta Timur

For Correspondence

Attention: Secretary General

Facsimile Number:

(62-21) 2128 1200

For Disbursements and Payments

Attention: Director for Finance, BNPB

Facsimile Number:

(62-21) 2128 1200

For ADB

Asian Development Bank
6 ADB Avenue
Mandaluyong City
1550 Metro Manila
Philippines

Facsimile Numbers:

(632) 636-2444

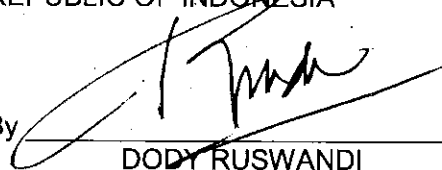
With a copy to ADB's Indonesia Resident Mission:

(62-21) 2992-7399

IN WITNESS WHEREOF the parties hereto, acting through their representatives thereunto duly authorized, have caused this Grant Agreement to be signed in their respective names and to be delivered at the principal office of ADB, as of the day and year first above written.

REPUBLIC OF INDONESIA

By



DODY RUSWANDI
Secretary General

National Disaster Management Authority

ASIAN DEVELOPMENT BANK

By



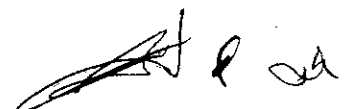
By

WINFRIED F. WICKLEIN
Country Director
Indonesia Resident Mission



SCHEDULE 1**Description of the Project**

1. The Project consists of activities relating to disaster relief and the provision of life-preserving services for communities affected by the 7.4-magnitude earthquake and the near-field tsunami wave that occurred on 28 September 2018 near the city of Palu in Central Sulawesi, Indonesia.
2. The Grant proceeds will be used for emergency purposes, such as to provide the following (i) emergency rescue equipment; (ii) water purification and sanitation systems; (iii) electricity generators; (iv) relief supplies of water, food, and personal hygiene kits; (v) fuel; (vi) temporary shelters, tents and shelter kits; and (vii) temporary clinics, medical equipment and supplies.



SCHEDULE 2**Withdrawal of Grant Proceeds**Disbursement Procedures

1. Except as ADB may otherwise agree or as otherwise provided in this Grant Agreement, the Grant proceeds for financing goods, works, consulting services and other items shall be disbursed in accordance with ADB's "Loan Disbursement Handbook" dated June 2017 (ADB's Loan Disbursement Handbook), as amended from time to time.
2. The Recipient shall establish immediately after the Effective Date an advance account with a commercial bank acceptable to ADB. Except as otherwise provided in this Grant Agreement, the advance account shall be established, managed, and liquidated in accordance with ADB's Loan Disbursement Handbook. The currency of the advance account shall be the Dollar.
3. Notwithstanding anything to the contrary in ADB's Loan Disbursement Handbook, the Recipient shall submit to ADB, immediately upon signing of this Grant Agreement, a withdrawal application substantially in the form attached as Attachment 1 to this Schedule 2 duly signed by the person who has signed this Grant Agreement on behalf of the Recipient or any person authorized in writing by such representative to sign the withdrawal application on behalf of the Recipient. The Recipient shall not be required to submit a statement of the estimated ADB share of project.
4. Promptly after having received the withdrawal application of the Recipient in form and substance acceptable to ADB, ADB shall remit the full amount of the Grant to the advance account of the Recipient.
5. Promptly after the Grant Closing Date, the Recipient shall submit to ADB a statement of expenditures, substantially in the form attached as Attachment 2 to this Schedule 2, to liquidate the advance provided into the advance account. Notwithstanding anything to the contrary in ADB's Loan Disbursement Handbook, there shall be no ceiling in the amount of a contract for which the statement of expenditures procedure is used. All authenticating documents, including contracts, invoices and receipts, shall be retained by the Recipient and shall be made available for review by ADB or any auditors appointed by ADB.
6. Promptly upon demand by ADB, the Recipient shall refund to ADB any balance of the Grant advance not liquidated. The Recipient shall also, promptly upon demand by ADB, refund to ADB any amount of the proceeds of the Grant that has been used to finance in full or in part a contract for goods, works or services with respect to the procurement of which ADB has determined that (a) corrupt, fraudulent, collusive or coercive practices were engaged in by representatives of the Recipient or any beneficiary of the Grant, without the Recipient having taken timely and appropriate action satisfactory to ADB to remedy the situation; or (b) the procurement was inconsistent with the procedure set out in this Grant Agreement. For the purposes of this section the terms "corrupt practice", "fraudulent practice", "collusive practice" or "coercive practices" shall have the meanings as specified in Section 4.07 of this Grant Agreement.

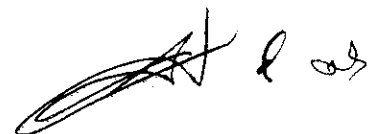


Counterpart Funding

7. The Recipient may use the proceeds of the Grant to pay up to 100% of eligible expenditures, including applicable taxes.

Retroactive Financing

8. The Recipient may use part of the proceeds of the Grant for reimbursement of eligible expenditures incurred under the Project before the Effective Date, but not earlier than 29 September 2018, subject to a maximum amount equivalent to 30% of the Grant amount.

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Oct 2017

WITHDRAWAL APPLICATION

Asian Development Bank



To: Asian Development Bank (ADB)
6 ADB Avenue, Mandaluyong City
1550 Metro Manila, Philippines

ADB Grant No.	<input type="text"/>	-	<input type="text"/>
Application No.	<input type="text"/>	<input type="text"/>	<input type="text"/>

Attention: Loan Administration Division, Controller's Department (CTLA)

1. Type of Disbursement (Indicate an 'x' in the appropriate box)

Initial Advance Liquidation Only*

2. In connection with the Grant Agreement (Agreement) of the said ADB Grant number, please pay from the Grant Account (Account):

Application Currency	Application Amount (In figures)	Application Amount (In words)
<input type="text"/>	<input type="text"/>	<input type="text"/>

3. Payment Instructions (*Not required in the case of liquidation only):

A. Payee's Name and Address

Payee's Name:

Payee's Address:

B. Name and Address of Payee's Bank and Account No.

Bank Name:

Bank Address:

Payee's Account No.: SWIFT Code:

C. Correspondent Bank (If payee's bank is not located in the country whose currency is claimed, enter the name and address of their bank's correspondent in the country whose currency is to be paid.)

Bank Name:

Bank Address:

Account No. of Payee's Bank: SWIFT Code:

D. Special Payment Instructions and Other References

4. This application consists of [indicate an 'x' in the appropriate box]:

Statement of Expenditures (SOE) sheet

5. The undersigned certifies and agrees as follows:

- The expenditures were or will be made for the purposes specified in the Agreement and in accordance with its terms and conditions, and the undersigned has not previously withdrawn from the Account or obtained or will obtain any other loan, credit, or grant for the purpose of fully or partially meeting these expenditures.
- The works, goods, or services claimed for liquidation of advance have been procured in accordance with the Agreement and the cost and terms of the purchase thereof are reasonable and in accordance with the relevant contract(s).
- This application is claimed in accordance with ADB's *Loan Disbursement Handbook*, and all documents related to the expenditures covered by this application are available for examination by auditors and by ADB upon request.

By (Name of Recipient)	<input type="text"/>	Date Signed	<input type="text"/>
Signature of Authorized Representative(s)	<input type="text"/>		<input type="text"/>
Printed Name/Title of Authorized Representative(s)	<input type="text"/>		<input type="text"/>

Instructions for preparing the Withdrawal Application Form (ADB Form No. ADB-WA)

General Instructions

1. Submit original withdrawal application (WA) form to the Asian Development Bank (ADB) (or to its resident/regional Mission, if instructed).
2. Number WAs consecutively, not exceeding five digits or characters.
3. When the WA is completed, verify completeness of supporting documentation and accuracy of details before passing to the authorized representative(s) for signature. Mistakes and omissions result in delayed disbursement.

Withdrawal References

ADB Grant No.: Indicate the number assigned by ADB to the Grant Agreement (i.e., Grant + [4 digits serial numbers] [3 characters of country code]).

Application No.: Number WAs consecutively not exceeding 5 digits or characters. If the project has more than one executing agency (EA) or implementing agency, the project coordinator should assign an alpha identification for each EA, e.g., A0001 to A9999 for EA no. 1 and B0001 to B9999 for EA no. 2.

1. Type of Disbursement: Check the appropriate box of the disbursement type, whether for (i) initial advance, (ii) liquidation only.

2. Application Amount

Application Currency: Indicate the name of the currency requested for disbursement. Prepare a separate WA for each application currency and each payee. The application currency for the advance fund procedure is the currency of the advance account.

Application Amount: Indicate the amount to be disbursed in figures and words. The amount must be the sum of the statement of expenditures (SOE) sheet(s).

3. Payment Instructions

- A. **Payee's Name and Address:** Indicate full name and address of the payee for identification of payment.
- B. **Name and Address of Payee's Bank and Account No.:** Indicate full name and address of the payee's bank, which may include a banker and/or branch designation. Account number is important. Provide SWIFT code if the payee's bank is a member of SWIFT.
- C. **Correspondent Bank:** When payment is to be made to a payee's bank not located in the country of the disbursement currency, indicate full name and address of its correspondent bank located in the country of the disbursement currency. Provide SWIFT code if the bank is a member of SWIFT.
- D. **Special Payment Instructions:** Indicate any particulars, special instructions, or references to facilitate payment or identification of payment.

4. Documentation

SOE Sheet: Submit a separate form for each category or subcategory. List items of payment to the same supplier together, one below another. This form is not applicable for PBL.

Advance Account Reconciliation Statement: Submit this form for liquidation of the advance account. A copy of the ending balance per the corresponding bank statement should be attached.

5. Certifications and Signature

Certifications: Modifications to any certifications are not valid or binding, unless otherwise agreed by ADB.

By (Name of Borrower or Recipient): Fill in the name as it appears in the Grant Agreement.

Date Signed: Enter the date WA is signed by authorized representative(s), not the date it was prepared.

Authorized Representative(s): Pass this application to authorized representative(s), who is (are) designated in the Evidence of Authority to Sign Withdrawal Applications form submitted to ADB. Verify that the list of authorized representative(s) has not been changed.

Oct 2017

STATEMENT OF EXPENDITURES (SOE) SHEET FOR APDRF GRANT

Asian Development Bank



ADB Grant No.

Application No.

Sheet No.

For the period: _____ to _____

Type of Form: (Indicate an 'X' in the appropriate box [select one box]):

SOE Sheet

Type of Disbursement (Indicate an 'X' in the appropriate box): Liquidation of Advance
 (select one box)

Item No.	Contract/PO Record No. for EA's	Description of Goods & Services	Name & Address of Supplier	Date of Payment (Due)	Total Amount of bill paid/payable	ADB's Disbursement Percentage	ADB's Share of Expenditures ^a	For Advance Fund Only		Remarks
								Exchange Rate ^b	Amount for Liquidation ^c	
TOTAL									TOTAL	

* EA = Executing Agency, PO = Purchase Order

Notes:

- a. Ensure that the total amount or the aggregate total amount of all SOE sheets agrees with the amount indicated in the withdrawal application for liquidation of advance fund
- b. Applicable for liquidation of advance under the advance fund procedure. Indicate the actual foreign exchange rates used for each transaction (see additional notes and illustration on the next page).