
GRANT NUMBER 0791-TAJ

GRANT AGREEMENT
(Special Operations)

(COVID-19 Vaccine Support Project under the Asia Pacific Vaccine Access Facility)

between

REPUBLIC OF TAJIKISTAN

and

ASIAN DEVELOPMENT BANK

DATED 21 JUNE 2021

TAJ 55078

**GRANT AGREEMENT
(Special Operations)**

GRANT AGREEMENT dated 21 JUNE 2021 between REPUBLIC OF TAJIKISTAN ("Recipient") and ASIAN DEVELOPMENT BANK ("ADB").

WHEREAS

(A) ADB has received from the Recipient a governor's letter dated 22 April 2021 ("Governor's Letter"), confirming the Recipient's commitment to implement its Vaccination Allocation Plan (as defined hereinafter) and setting forth certain objectives, policies and actions of the Recipient designed to provide access within its territory to vaccines for the coronavirus disease ("COVID-19");

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

(C) ADB has agreed to make a grant to the Recipient from ADB's Special Funds resources upon the terms and conditions set forth herein;

NOW THEREFORE the parties hereto agree as follows:

ARTICLE I

Grant Regulations; Definitions

Section 1.01. All the provisions of ADB's Special Operations Grant Regulations, dated 1 January 2017 ("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. Wherever used in this Grant Agreement, the several terms defined in the Grant Regulations have the respective meanings therein set forth unless modified herein or the context otherwise requires. Additional terms used in this Grant Agreement have the following meanings:

- (a) "Consulting Services" means consulting services as described in the Procurement Regulations and set out in the Procurement Plan, and to be financed out of the proceeds of the Grant;
- (b) "Eligibility Criteria" means criteria, as described in paragraph 29 (including footnotes 28, 29 and 30) of ADB's policy on Support to Enhance COVID-19 Vaccine Access;
- (c) "Eligible Expenditures" means categories of expenditures agreed between ADB and the Recipient, to be financed out of the proceeds of the Grant, as set forth in the table to Schedule 2 to this Grant Agreement and as further detailed in the PAM;

- (d) "Eligible Vaccine" means a COVID-19 vaccine eligible for financing out of the proceeds of the Grant which, at all times during the Project implementation period, (i) satisfies the Eligibility Criteria; and (ii) has received all necessary authorizations of the Recipient for its distribution and administration within the territory of the Recipient, including authorization for use, and any other necessary authorizations for its manufacture, marketing or importation;
- (e) "GAP" means the gender action plan prepared for the Project, including any update thereto, and agreed to between the Recipient and ADB;
- (f) "Goods" means equipment and materials as set out in the Procurement Plan and to be financed out of the proceeds of the Grant, including Eligible Vaccines and any related Nonconsulting Services such as transportation and insurance;
- (g) "Loan Disbursement Handbook" means ADB's Loan Disbursement Handbook (2017, as amended from time to time);
- (h) "Nonconsulting Services" means nonconsulting services as described in the Procurement Regulations and set out in the Procurement Plan, and to be financed out of the proceeds of the Grant;
- (i) "PAM" means the project administration manual for the Project dated 28 April 2021 and agreed between the Recipient and ADB, as updated from time to time in accordance with the respective administrative procedures of the Recipient and ADB;
- (j) "Procurement Plan" means the procurement plan for the Project dated 28 April 2021 and agreed between the Recipient and ADB, as updated from time to time in accordance with the Procurement Policy, the Procurement Regulations, and other arrangements agreed with ADB;
- (k) "Procurement Policy" means ADB's Procurement Policy – Goods, Works, Nonconsulting and Consulting Services (2017, as amended from time to time);
- (l) "Procurement Regulations" means ADB's Procurement Regulations for ADB Borrowers - Goods, Works, Nonconsulting and Consulting Services (2017, as amended from time to time);
- (m) "Project Executing Agency" for the purposes of, and within the meaning of, the Grant Regulations means the Ministry of Health and Social Protection of the Population of the Recipient or any successor thereto acceptable to ADB, which is responsible for the carrying out of the Project;
- (n) "Services" means Consulting Services and Nonconsulting Services;
- (o) "SPS" means ADB's Safeguard Policy Statement (2009); and

- (p) "Vaccination Allocation Plan" means the National Deployment and Vaccination Plan adopted by the Recipient on 9 February 2021 and attached to and endorsed in the Governor's Letter, which, amongst other things, describes the Recipient's prioritization of COVID-19 vaccine access consistent with international norms and safeguards against exclusion of marginalized and vulnerable groups and sets out the national policy in relation to vaccine selection, acquisition, procurement, distribution, deployment and administration, as well as any related medical waste management, in the territory of the Recipient.

ARTICLE II

The Grant

Section 2.01. ADB agrees to make available to the Recipient from ADB's Special Funds resources an amount of twenty-five million Dollars (\$25,000,000).

ARTICLE III

Use of Proceeds of the Grant

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

Section 3.02. The proceeds of the Grant shall be allocated and withdrawn in accordance with the provisions of Schedule 2 to this Grant Agreement, as such Schedule may be amended from time to time by agreement between the Recipient and ADB.

Section 3.03. Except as ADB may otherwise agree, the Recipient shall procure, or cause to be procured, the items of Eligible Expenditures to be financed out of the proceeds of the Grant in accordance with the provisions of Schedule 3 to this Grant Agreement.

Section 3.04. The Grant Closing Date for the purposes of Section 8.02 of the Grant Regulations shall be 31 December 2023 or such other date as may from time to time be agreed between the Recipient and ADB.

ARTICLE IV

Particular Covenants

Section 4.01. In the carrying out of the Project, the Recipient shall perform, or cause to be performed, all obligations set forth in Schedule 3 to this Grant Agreement.

Section 4.02. (a) The Recipient shall (i) maintain separate accounts and records for the Project; (ii) prepare annual financial statements for the Project in accordance with financial reporting standards acceptable to ADB; (iii) have such financial statements audited annually by independent auditors whose qualifications, experience and terms of reference are acceptable to ADB, in accordance with auditing standards acceptable to ADB; (iv) as part of each 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 the end of each related fiscal year, 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 financial statements for the Project and the Recipient's financial affairs where they relate to the Project with the auditors appointed pursuant to subsection (a)(iii) hereinabove, and shall authorize and require any representative of such auditors to participate in any such discussions requested by ADB. This is provided that such discussions shall be conducted only in the presence of an authorized officer of the Recipient, unless the Recipient shall otherwise agree.

Section 4.03. The Recipient shall enable ADB's representatives to inspect the Project, the Goods and Services, and any relevant records and documents.

ARTICLE V

Effectiveness

Section 5.01. A date 90 days after the date of this Grant Agreement is specified for the effectiveness of this Grant Agreement for the purposes of Section 9.04 of the Grant Regulations.

ARTICLE VI

Termination

Section 6.01. The Grant Agreement and all obligations of the parties thereunder shall terminate on a date 10 years after the date of this Agreement.

ARTICLE VII

Miscellaneous

Section 7.01. The Minister of Finance of the Recipient is designated as representative of the Recipient for the purposes of Section 11.02 of the Grant Regulations.

Section 7.02. The following addresses are specified for the purposes of Section 11.01 of the Grant Regulations:

For the Recipient

Ministry of Finance
3, Academic Rajabovkho Street
Dushanbe, 734025
Republic of Tajikistan

Facsimile Number:

+992 372 221 64 10

For ADB

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

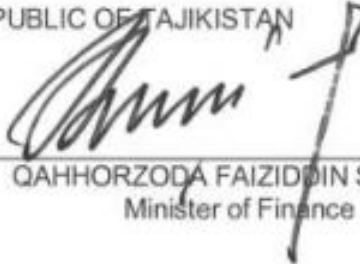
Facsimile Numbers:

(632) 8636-2444.

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 as of the day and year first above written and to be delivered at the principal office of ADB.

REPUBLIC OF TAJIKISTAN

By



QAHHORZODA FAIZIDDIN SATTOR
Minister of Finance

ASIAN DEVELOPMENT BANK

By



ANVAR MAKHMUDOV
Authorized Signatory

SCHEDULE 1**Description of the Project**

1. The objective of the Project is to vaccinate priority populations against COVID-19. The Project is described in more detail in the Governor's Letter.
2. The Project shall comprise:
 - (a) **Procurement of COVID-19 vaccine and delivery to designated points.** This component will support the procurement of (i) vaccines that meet the Eligibility Criteria; (ii) safety boxes, syringes, and other items required for the administration of the vaccines; and (iii) international and national logistics and related services required for the transportation of vaccines from the place of purchase to designated delivery points in Tajikistan.
 - (b) **Strengthening of vaccination program implementation capacity.** This component will support strengthening the capacity of the Project Executing Agency to effectively and efficiently manage the procurement and delivery of the COVID-19 vaccines and the development and conduct of information, education and communication campaigns, and outreach programs with tailored messages for the different target groups using gender- and age- sensitive approaches.
3. The Project is expected to be completed by 30 June 2023.

SCHEDULE 2

Allocation and Withdrawal of Grant Proceeds

General

1. The table attached to this Schedule sets forth the Categories of items of Eligible Expenditures to be financed out of the proceeds of the Grant and the allocation of the Grant proceeds to each such Category ("Table"). (Reference to "Category" in this Schedule is to a Category or Subcategory of the Table.)

Basis for Withdrawal from the Grant Account

2. Except as ADB may otherwise agree, the proceeds of the Grant shall be allocated to items of Eligible Expenditures, and disbursed on the basis of the withdrawal percentage for each item of expenditure set forth in the Table.

3. With respect to any COVID-19 vaccine, ADB shall only finance those that continue to qualify as an Eligible Vaccine at the time a withdrawal request is made from the Grant Account.

Reallocation

4. Notwithstanding the allocation of Grant proceeds and the withdrawal percentages set forth in the Table,

- (a) if the amount of the Grant allocated to any Category appears to be insufficient to finance all agreed expenditures in that Category, ADB may, by notice to the Recipient, (i) reallocate to such Category, to the extent required to meet the estimated shortfall, amounts of the Grant which have been allocated to another Category but, in the opinion of ADB, are not needed to meet other expenditures; and (ii) if such reallocation cannot fully meet the estimated shortfall, reduce the withdrawal percentage applicable to such expenditures in order that further withdrawals under such Category may continue until all expenditures thereunder shall have been made; and
- (b) if the amount of the Grant allocated to any Category appears to exceed all agreed expenditures in that Category, ADB may, by notice to the Recipient, reallocate such excess amount to any other Category.

Disbursement Procedures

5. Except as ADB may otherwise agree, the Grant proceeds shall be disbursed in accordance with the Loan Disbursement Handbook.

Retroactive Financing

6. Withdrawals from the Grant Account may be made for Eligible Expenditures incurred under the Project before the Effective Date, subject to a maximum amount equivalent to 30% of the Grant amount; provided that the expenditures have been incurred after the allocation

by the Recipient of resources to respond to the COVID-19 pandemic, but not earlier than 12 months before the date of this Grant Agreement.

Condition for Withdrawals from Grant Account

7. Notwithstanding any other provision of this Grant Agreement, no withdrawals shall be made from the Grant Account for Category 1 until:

- (a) ADB has received a letter from the Recipient confirming: (i) which COVID-19 vaccines have been selected to be procured using the proceeds of the Grant; (ii) which of the Eligibility Criteria has been satisfied in respect of the selected COVID-19 vaccines; and (iii) that such COVID-19 vaccines have received all necessary authorizations of the Recipient, and have been authorized by the Tajikistan National Regulatory Authority and any other relevant regulatory authorities for distribution and administration within the territory of the Recipient; and
- (b) based on the information provided in the aforementioned letter, ADB has notified the Recipient that the COVID-19 vaccines to be procured are designated as Eligible Vaccines.

TABLE

ALLOCATION AND WITHDRAWAL OF GRANT PROCEEDS			
Number	Item	Total Amount Allocated for ADB Financing \$	Basis for Withdrawal from the Grant Account
		Category	
1	Eligible Vaccines, ancillary equipment and transportation***	21,807,317	100% of total expenditure claimed*.**
2	Consulting services, training, equipment and furniture, project management	773,985	100% of total expenditure claimed**
3	Unallocated	2,418,698	
	TOTAL	25,000,000	

* Inclusive of import processing fee.

** Exclusive of taxes and duties, except income tax on individuals and legal entities, imposed within the territory of the Recipient.

*** Subject to the condition for withdrawal described in paragraph 7 of Schedule 2.

SCHEDULE 3**Execution of Project**Implementation Arrangements

1. The Recipient, through the Project Executing Agency, shall ensure that the Project is implemented in accordance with the detailed arrangements set forth in the PAM. Any subsequent change to the PAM shall become effective only after approval of such change by the Recipient and ADB. In the event of any discrepancy between the PAM and this Grant Agreement, the provisions of this Grant Agreement shall prevail.

Procurement

2. The Recipient, through the Project Executing Agency, shall ensure that:
- (a) unless otherwise approved by ADB, the procurement of Goods and Services is carried out in accordance with the Procurement Policy and the Procurement Regulations;
 - (b) Goods and Services shall be procured based on the detailed arrangements set forth in the Procurement Plan, including the procurement and selection methods, the type of bidding documents, and ADB's review requirements. The Recipient may modify the detailed arrangements set forth in the Procurement Plan only with the prior agreement of ADB, and such modifications must be set out in updates to the Procurement Plan;
 - (c) Goods and Services may also be procured under the Project from non-member countries of ADB; and
 - (d) (i) all Goods procured and Services obtained (including all computer hardware, software and systems, whether separately procured or incorporated within other goods and services procured) do not violate or infringe any industrial property or intellectual property right or claim of any third party; and (ii) all contracts for the procurement of Goods and Services contain appropriate representations, warranties and, if appropriate, indemnities from the contractor, supplier, consultant or service provider with respect to the matters referred to in this subparagraph.
3. The Recipient, through the Project Executing Agency, shall appoint a procurement agent to carry out turnkey procurement and logistics services for Eligible Vaccines and ancillary items, in accordance with the terms and conditions set forth in the Procurement Plan. The Recipient, through the Project Executing Agency, shall ensure that such procurement agent follows all of the requirements of this Grant Agreement and the Procurement Plan.

Safeguards

4. The Recipient, through the Project Executing Agency, shall ensure that the Project does not have any environmental, indigenous peoples or involuntary resettlement impacts, all within the meaning of the SPS. In the event that the Project does have any such impact, the

Recipient, through the Project Executing Agency, shall take all steps required to ensure that the Project complies with the applicable laws and regulations of the Recipient and with the SPS.

Prohibited List of Investments

5. The Recipient, through the Project Executing Agency, shall ensure that no proceeds of the Grant are used to finance any activity included in the list of prohibited investment activities provided in Appendix 5 of the SPS.

Vaccine Selection; Vaccination Allocation Plan

6. The Recipient:

- (a) represents that it has conducted its own due diligence, and made its own independent determination of, the quality, safety, and efficacy of the Eligible Vaccines to be procured under the Project;
- (b) shall ensure that Grant proceeds allocated for financing of vaccines shall only be used for the procurement, distribution or administration of a vaccine which has been confirmed by ADB to be an Eligible Vaccine;
- (c) assumes sole responsibility for the selection, importation, procurement, distribution, marketing or administration, of any Eligible Vaccine under the Project, and agrees that ADB shall have no responsibility or liability in respect thereof;
- (d) shall ensure that the deployment, distribution and administration of Eligible Vaccines are implemented in accordance with the Vaccination Allocation Plan; and
- (e) shall (i) inform and exchange views with ADB on any changes to the Vaccination Allocation Plan and any sector, legal, regulatory or policy reform discussions that may be held with other bilateral or multilateral agencies that may have implications on the implementation of the deployment, distribution and administration of the Eligible Vaccines; and (ii) provide ADB a reasonable opportunity to comment on any resulting policy proposal.

7. In instances where any COVID-19 vaccine which ADB has not confirmed as an Eligible Vaccine is proposed for procurement under the Project subsequent to the initial withdrawal from the Grant Account for any Eligible Vaccine, the Recipient, through the Project Executing Agency, shall ensure that no withdrawal request is made from the Grant Account in relation to such vaccine until:

- (a) ADB has received a letter from the Recipient confirming (i) which of the Eligibility Criteria has been satisfied in respect of such vaccine; and (ii) that such vaccine has received all necessary authorizations of the Recipient, and has been authorized by the Tajikistan National Regulatory Authority

and any other relevant regulatory authorities for distribution and administration within the territory of the Recipient; and

- (b) based on the information provided in the aforementioned letter, ADB has notified the Recipient that such vaccine is designated as an Eligible Vaccine.

Compliance with Local Laws

8. The Recipient, through the Project Executing Agency, shall ensure that the selection, importation, procurement, deployment, distribution, marketing, administration and disposal of any Eligible Vaccine is conducted in accordance with the applicable laws and regulations of the Recipient.

9. The Recipient, through the Tajikistan National Regulatory Authority and any other relevant regulatory authorities, shall promptly take all such steps as may be necessary to facilitate the continuing authorization of Eligible Vaccines for distribution and administration within the territory of the Recipient, including through the prompt issuance or renewal of all the necessary authorizations, provided that the requisite quality, safety, efficacy and other legal requirements for authorization continue to be met. The Recipient shall promptly inform ADB of any event or circumstance which may arise that may prevent, hinder, delay or place conditions on such continuing authorization.

Vaccine Storage, Transportation and Waste Management

10. The Recipient, through the Project Executing Agency, shall ensure that:

- (a) Eligible Vaccines are properly stored, handled and transported within the territory of the Recipient to preserve their quality, efficacy and safety in accordance with, the relevant vaccine manufacturer's requirements, applicable laws and regulations of the Recipient and international good practice, including the effective vaccine management framework of the World Health Organization and the United Nations Children's Fund; and
- (b) any medical or other waste generated in connection with the storage, transportation, distribution or administration of Eligible Vaccines and associated medical equipment is properly treated, disposed of and managed in accordance with the Standard Operating Procedure "The procedure for disposal of medical waste after vaccination against COVID-19," approved by the Project Executing Agency on 6 March 2021.

Limitation of Liability

11. The Recipient acknowledges and agrees that:

- (a) the confirmation by ADB of any vaccine as an Eligible Vaccine does not constitute an endorsement, or warranty of the fitness, by ADB of such vaccine for any particular purpose, including with regard to its quality, safety or efficacy, and the Recipient is exclusively responsible for

authorizing the use of any Eligible Vaccines, for distribution and administration within the territory of the Recipient, including but not limited to quality monitoring throughout the supply chain, compliance with applicable treatment guidelines and application of measures to monitor and address adverse reactions; and

- (b) ADB disclaims any and all financial or other liability and responsibility for any injury, death, loss, damage or other prejudice of any kind whatsoever that may arise as a result of or in connection with the selection, procurement, importation, manufacturing, fill and finish, distribution, marketing, administration or use of any vaccine under the Project or the treatment, disposal, or management of any medical or other waste generated in connection with the storage, handling, transportation, distribution or administration of any such vaccine.

Gender and Development

12. The Recipient, through the Project Executing Agency, shall ensure that (a) the GAP is implemented in accordance with its terms; (b) the bidding documents and contracts include relevant provisions for contractors to comply with the measures set forth in the GAP; (c) adequate resources are allocated for implementation of the GAP; and (d) progress on implementation of the GAP, including progress toward achieving key gender outcome and output targets, are regularly monitored and reported to ADB.

Financial Management

13. The Recipient, through the Project Executing Agency, shall ensure that (a) adequate financial management systems to manage, control, account, report, and audit expenditures for vaccination of the priority population, in line with the Vaccination Allocation Plan, are maintained throughout Project implementation; and (b) the financial management action plan, which sets out specific time-bound actions, as summarized in the PAM, is implemented in accordance with its terms.

Special Performance Audit

14. To ensure the promotion of economical, effective and efficient governance under the Project, the Recipient, through the Project Executing Agency, shall ensure that an independent auditor is engaged to undertake a performance audit (in addition to the annual audit of the financial statements for the Project set forth in Section 4.02 of this Grant Agreement), focusing on Project economy, efficiency, and effectiveness, and provide the necessary reports and information that may be required for such audit.

15. Such audit shall be carried out annually (in addition to the annual audit of the financial statements for the Project), and the report on such audit shall be submitted to ADB through the Project Executing Agency within 6 months after fiscal year end.

Counterpart Support

16. The Recipient shall ensure that the Project Executing Agency has sufficient funds to satisfy its liabilities arising from any Goods and/or Services contract.

Labor Standards, Health and Safety

17. The Recipient, through the Project Executing Agency, shall ensure that the core labor standards and the applicable laws and regulations of the Recipient are complied with during Project implementation. The Recipient, through the Project Executing Agency, shall ensure that specific provisions are included in the bidding documents and contracts financed by ADB under the Project requiring that the contractors, among other things: (a) comply with the applicable labor law and regulations of the Recipient and incorporate applicable workplace occupational safety norms; (b) do not use child labor; (c) do not discriminate workers in respect of employment and occupation; (d) do not use forced labor; and (e) allow freedom of association and effectively recognize the right to collective bargaining.

18. The Recipient, through the Project Executing Agency, will strictly monitor compliance with the requirements set forth in paragraph 17 above and provide ADB with regular reports.

Governance and Anticorruption

19. The Recipient, the Project Executing Agency, and the implementing agencies shall (a) comply with ADB's Anticorruption Policy (1998, as amended to date) and acknowledge that ADB reserves the right to investigate directly, or through its agents, any alleged corrupt, fraudulent, collusive or coercive practice, or other integrity violations relating to the Project; and (b) cooperate with any such investigation and extend all necessary assistance for satisfactory completion of such investigation.

20. The Recipient, the Project Executing Agency and the implementing agencies shall ensure that the anticorruption provisions acceptable to ADB are included in all bidding documents and contracts, including provisions specifying the right of ADB to audit and examine the records and accounts of the executing and implementing agencies and all contractors, suppliers, consultants, and other service providers as they relate to the Project. Firms or individuals who are debarred or temporarily suspended by ADB are ineligible to participate in ADB financed, administered or supported activities.