

**OFFICIAL
DOCUMENTS**

CREDIT NUMBER 5786-PK

Project Agreement

(National Immunization Support Project)

between

INTERNATIONAL DEVELOPMENT ASSOCIATION

and

PROVINCE OF KHYBER PAKHTUNKHWA

Dated August 31, 2016

PROJECT AGREEMENT

Agreement dated August 31, 2016, entered into between INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association") and the PROVINCE OF KHYBER PAKHTUNKHWA ("Project Implementing Entity") ("Project Agreement") in connection with: (i) the Financing Agreement ("Financing Agreement") of same date between the ISLAMIC REPUBLIC OF PAKISTAN ("Recipient") and the Association; and (ii) the Multi Donor Trust Fund Grant Agreement ("MDTF Grant Agreement") of same date between the Recipient and the Association, acting as administrator of the Multi-Donor Trust Fund for the National Immunization Support Project (the "World Bank"). 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 its Respective Parts of 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 its Respective Part of 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 its Respective Part of the Project in accordance with the provisions of the Schedule to this Agreement.

ARTICLE III — TERMINATION

- 3.01. For purposes of Section 8.05 (c) of the General Conditions, the date on which the provisions of this Agreement shall terminate is twenty (20) years after the date of this Agreement.

ARTICLE IV — REPRESENTATIVE; ADDRESSES

- 4.01. The Project Implementing Entity's Representative is Additional Chief Secretary (Dev) of the Government of Khyber Pakhtunkhwa.

4.02. The Association's Address is:

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

Cable:

Telex:

Facsimile:

INDEVAS
Washington, D.C.

248423(MCI)

1-202-477-6391

4.03. The Project Implementing Entity's Address is:

Additional Chief Secretary
Government of Khyber Pakhtunkhwa
Civil Secretariat
Peshawar
Pakistan

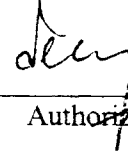
Facsimile:

92 (91) 9211369

AGREED at Islamabad, Islamic Republic of Pakistan, as of the day and year first above written.

INTERNATIONAL DEVELOPMENT ASSOCIATION

By



Authorized Representative

Name: Pakhamukh Gillangoran

Title: Country Director

PROVINCE OF KHYBER PAKHTUNKHWA

By



Authorized Representative

Name: Pervez Kamal Khan

Title: Director General

SCHEDULE

Execution of the Project Implementing Entity's Respective Part of the Project

Section I. Implementation Arrangements

A. Institutional Arrangements.

1. The Project Implementing Entity shall vest the overall responsibility for the implementation of its Respective Parts of the Project in the DoH. To this end, the Project Implementing Entity shall:
 - (a) maintain throughout the period of implementation of the Project, a Provincial EPI Steering Committee, headed by the Additional Chief Secretary (Dev.) and with the participation of the provincial program manager of EPI and representatives of DoH, DoF and DoP, in order to periodically review annual work plans and physical and financial progress of the Project, identify problems and corrective measures, provide policy guidance, and coordinate inter-departmental efforts, in the implementation of Project activities. The Provincial EPI Steering Committee shall meet at least twice every Fiscal Year;
 - (b) maintain throughout the period of implementation of the Project, an EPI Cell within the office of the Director General Health Services, DoH, in order to serve as Project management unit, which unit shall be provided with competent, experienced and qualified staff, in sufficient numbers and under terms of reference acceptable to the Association, and vested with powers, financial resources, functions and competences, acceptable to the Association, to serve as the focal unit in the carrying out of the day-to-day implementation the activities within the provincial territory, as well the coordination of EPI activities with other Project Provinces and MONHSRC; and
 - (c) notwithstanding the provision of paragraph (b) above, recruit/select and hire, by no later than three (3) months after the Effective Date, the services of: (i) a financial management specialist; (ii) a procurement specialist; (iii) a monitoring and evaluation, and surveillance specialist; (iv) a data management technician and (v) an epidemiologist, all of them with competencies, experience and qualifications acceptable to the Association, and under terms of reference acceptable to the Association in order to assist the EPI Cell with the carrying out of daily Project activities.
2. The Project Implementing Entity shall ensure that, throughout the period of implementation of the Project, the manager of the EPI Cell set forth in paragraph

1 (b) above attend all the meetings of the ICC convened by the Recipient pursuant to paragraph 2 of Section I.B of Schedule 2 to the Financing Agreement.

B. Project Implementation Plans and Verification Protocols

1. The Project Implementing Entity shall:
 - (a) by no later than three (3) months after the Effective Date, adopt an implementation plan for strengthening the financial management capacity of its DoH and EPI Cell in form and substance satisfactory to the Association and MONHSRC; and
 - (b) thereafter, implement such plan in conformity with an agreed timetable, in a manner acceptable to the Association and MONHSRC.
2. The Project Implementing Entity shall:
 - (a) undertake verification processes, in accordance with the terms or reference agreed with the Recipient and the Association, in order to certify the fulfillment of the Disbursement-Linked Results set out in Schedule 3 to the Financing Agreement; and
 - (b) furnish to the Recipient and the Association the corresponding verification reports, in form and substance agreed with the Recipient and the Association.

C. Anti-Corruption

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

D. Safeguards.

1. The Project Implementing Entity shall:
 - (a) carry out the Project in accordance with the ESMP, in a manner and in substance satisfactory to the Association; and
 - (b) refrain from taking any action which would prevent or interfere with the implementation of the ESMP, including any amendment, suspension, waiver, and/or voidance of any provision of the ESMP, whether in whole or in part, without the prior written concurrence of the Association.

2. In the event of any conflict between the provisions of any of the ESMP, on the one hand, and the provisions of this Agreement, on the other hand, the provisions of this Agreement shall prevail.

E. Donors Visibility and Visit

1. The Project Implementing Entity shall take or cause to be taken all such measures as the Association may reasonably request to identify publicly the Donors' support for the Project.
2. For the purposes of Section 4.11 of the General Conditions, the Project Implementing Entity shall, upon the Association's request, take, to the best of its efforts, all measures required on its part to enable the representatives of the Donors to visit any part of the Project Implementing Entity's territory where Project activities are/have been carried out.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

1. The Project Implementing Entity shall monitor and evaluate the progress of its Respective Part of the Project and prepare Project Reports for its Respective Part of the Project 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 (1) calendar semester, and shall be furnished to the Recipient not later two (2) 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.
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 4.08 (c) of the General Conditions all such information as the Recipient or the Association 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 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 its Respective Parts of the Project.
2. The Project Implementing Entity shall prepare and furnish to the Association not later than forty-five (45) days after the end of each calendar semester, interim

unaudited financial reports for its Respective Parts of the Project covering the respective semester, in form and substance satisfactory to the Association.

3. The Project Implementing Entity shall have the financial statements for its Respective Parts of the Project, 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 (6) 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 and services required for the Project Implementing Entity's Respective Parts of 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.