
CREDIT NUMBER 7253-PK

Project Agreement

(Sindh Flood Emergency Housing Reconstruction Project)

between

INTERNATIONAL DEVELOPMENT ASSOCIATION

and

PROVINCE OF SINDH

CREDIT NUMBER 7253-PK

PROJECT AGREEMENT

AGREEMENT between INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”) and PROVINCE OF SINDH (“Project Implementing Entity”) (“Project Agreement”) in connection with the Financing Agreement (“Financing Agreement”) of the Signature Date between the Islamic Republic of Pakistan (“Recipient”) and the Association, concerning Credit No. 7253-PK. 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) apply to and form 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 V of the General Conditions and the Schedule to this Agreement, and shall provide promptly as needed, the funds, facilities, services, and other resources required for the Project.

ARTICLE III — TERMINATION

- 3.01. For purposes of Section 10.05 (c) of the General Conditions, the date on which the provisions of this Agreement shall terminate is twenty years after the Signature Date.

ARTICLE IV — REPRESENTATIVE; ADDRESSES

- 4.01. The Project Implementing Entity’s Representative is its Chairman, Planning and Development Board.

4.02. For purposes of Section 11.01 of the General Conditions:

(a) the Association's address is:

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

(b) the Association's Electronic Address is:

Facsimile: 1-202-477-6391 E-mail: CMUPakistan@worldbank.org

4.03. For purposes of Section 11.01 of the General Conditions:

(a) the Project Implementing Entity's address is:

Planning and Development Board
Government of Sindh
Tughlaq House
Karachi
Pakistan; and

(b) the Project Implementing Entity's Electronic Address is:

Facsimile:
92-21-921-1922

AGREED as of the later of the two dates written below.

INTERNATIONAL DEVELOPMENT ASSOCIATION

By Najy Benhassine
Authorized Representative
Name: Najy Benhassine
Title: Country Director
Date: 05-Jan-2023

PROVINCE OF SINDH

By Khalid Mehmood Shaikh
Authorized Representative
Name: khalid mehmood Shaikh
Title: SECRETARY IMPLEMENTATION AND COORDINATION, SGAD
Date: 10-Jan-2023

SCHEDULE

Execution of the Project

Section I. Implementation Arrangements

A. Institutional Arrangements.

1. The Project Implementing Entity shall establish, by not later than one (1) month after the Effective Date, and thereafter maintain, at all times during the implementation of the Project, a Project Implementing Unit, to be housed under the Sindh Peoples Housing for Flood Affectees, with a mandate, composition, and resources satisfactory to the Association, including qualified staff to support the management of fiduciary and environmental, social, and health risks, consisting of at least one procurement specialist, one financial management specialist, one environmental specialist, one social development specialist, and one gender/gender-based violence specialist, each with terms of reference acceptable to the Association; to be responsible for overall Project management and implementation.
2. The Project Implementing Entity shall, by not later than one (1) month after the Effective Date: (a) select and engage Implementation Partners in accordance with the selection criteria and procedures set forth in the Program Guidelines, and thereafter maintain at all times during the implementation of the Project, with a mandate, composition, and resources satisfactory to the Association, to be responsible for facilitating community level outreach and engagement under the Project; and (b) enable the Implementation Partners to initiate the damage assessment and eligibility verification survey under Part 2.1 of the Project in a manner satisfactory to the Association.
3. The Project Implementing Entity shall, by not later than one (1) month after the Effective Date, engage, and thereafter maintain at all times during the implementation of the Project, a third party monitoring agent, with terms of reference acceptable to the Association, to carry out oversight and monitoring of disbursement of funds to Beneficiaries and ensure the completion of works.

B. Program Guidelines.

The Project Implementing Entity shall prepare and adopt, and thereafter implement the Project in accordance with, a Program Guidelines, in form and substance satisfactory to the Association, which shall include detailed institutional, administrative, financial, procurement, technical, and operational arrangements and procedures for the implementation of the Project, , including the criteria and procedures for the selection of Implementation Partners, the preparation and approval processes of annual work plans and budgets, eligibility criteria and procedures for the selection of Beneficiaries, and criteria

and procedures for the disbursement of Housing Reconstruction Grants (provided, however, that in the event of any conflict between the arrangements and procedures set out in said guidelines and the provisions of this Agreement, the latter shall prevail) and, except as the Association shall otherwise agree in writing, shall not amend, abrogate, or waive, or permit to be amended, abrogated, or suspended, any provision of the Program Guidelines.

C. Housing Reconstruction Grants.

1. In carrying out Part 1 of the Project, the Project Implementing Entity shall make Housing Reconstruction Grants to Beneficiaries in accordance with eligibility criteria, terms and conditions, and procedures set out this Agreement and the Program Guidelines, in a manner satisfactory to the Association.
2. The Project Implementing Entity shall select and engage digital financial services providers prior to carrying out the activities under Part 1 of the Project to assist the Project Implementing Entity in disbursement of the Housing Reconstruction Grants.
3. Without limitation to the generality of Section I.C.1 above, the Project Implementing Entity shall make each Housing Reconstruction Grant under a Housing Reconstruction Grant Agreement with the respective Beneficiary on terms and conditions approved by the Association, which shall include the following:
 - (a) the Project Implementing Entity shall obtain rights adequate to protect its interests and those of the Recipient and the Association, including the right to:
 - (i) suspend or terminate the right of the Beneficiary to use the proceeds of the Housing Reconstruction Grant, or obtain a refund of all or any part of the amount of the Housing Reconstruction Grant then withdrawn, upon the Beneficiary's failure to perform any of its obligations under the Housing Reconstruction Grant Agreement; and
 - (ii) require each Beneficiary to:
 - (A) carry out housing reconstruction activities with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, environmental and social standards and practices satisfactory to the Association, including in accordance with the provisions of the Anti-Corruption Guidelines

applicable to recipients of loan proceeds other than the Recipient;

- (B) provide, promptly as needed, the resources required for the purpose;
 - (C) enable the Recipient, the Association and the Project Implementing Entity to inspect the housing reconstruction, its operation and any relevant records and documents; and
 - (D) prepare and furnish to the Recipient, the Association and the Project Implementing Entity all such information as the Recipient or the Association or the Project Implementing Entity shall reasonably request relating to the foregoing.
4. The Project Implementing Entity shall exercise its rights under each Housing Reconstruction Grant Agreement in such manner as to protect the interests of the Recipient, the Association, and the Project Implementing Entity and to accomplish the purposes of the Financing. Except as the Recipient and the Association shall otherwise agree, the Project Implementing Entity shall not assign, amend, abrogate, or waive any Housing Reconstruction Grant Agreement or any of its provisions.

D. Environmental and Social Standards.

- 1. The Project Implementing Entity shall ensure that the Project is carried out in accordance with the Environmental and Social Standards, in a manner acceptable to the Association.
- 2. Without limitation upon paragraph 1 above, the Project Implementing Entity shall ensure that the Project is implemented in accordance with the Environmental and Social Commitment Plan (“ESCP”), in a manner acceptable to the Association. To this end, the Project Implementing Entity shall ensure that:
 - (a) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, and provided in the ESCP;
 - (b) sufficient funds are available to cover the costs of implementing the ESCP;
 - (c) policies and procedures are maintained, and qualified and experienced staff in adequate numbers are retained to implement the ESCP, as provided in the ESCP; and

- (d) the ESCP, or any provision thereof, is not amended, repealed, suspended, or waived, except as the Association shall otherwise agree in writing, as specified in the ESCP, and ensure that the revised ESCP is disclosed promptly thereafter.
- 3. In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.
- 4. The Project Implementing Entity shall ensure that:
 - (a) all measures necessary are taken to collect, compile, and furnish to the Association through regular reports, with the frequency specified in the ESCP, and promptly in a separate report or reports, if so requested by the Association, information on the status of compliance with the ESCP and the environmental and social instruments referred to therein, all such reports in form and substance acceptable to the Association, setting out, inter alia: (i) the status of implementation of the ESCP; (ii) conditions, if any, which interfere or threaten to interfere with the implementation of the ESCP; and (iii) corrective and preventive measures taken or required to be taken to address such conditions; and
 - (b) the Association is promptly notified of any incident or accident related to or having an impact on the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, in accordance with the ESCP, the environmental and social instruments referenced therein and the Environmental and Social Standards.
- 5. The Project Implementing Entity shall establish, publicize, maintain, and operate an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances of Project-affected people, and take all measures necessary and appropriate to resolve, or facilitate the resolution of, such concerns and grievances, in a manner acceptable to the Association.
- 6. The Project Implementing Entity shall ensure that all bidding documents and contracts for civil works under the Project include the obligation of contractors, subcontractors, and supervising entities to: (a) comply with the relevant aspects of ESCP and the environmental and social instruments referred to therein; and (b) adopt and enforce codes of conduct that should be provided to and signed by all workers, detailing measures to address environmental, social, health and safety risks, and the risks of sexual exploitation and abuse, sexual harassment and violence against children, all as applicable to such civil works commissioned or carried out pursuant to said contracts.

E. Grievance Redressal Mechanism.

The Project Implementing Entity shall establish and make operational, by not later than sixty (60) days after the Effective Date, and thereafter maintain at all times during the implementation of the Project, a grievance redressal mechanism, acceptable to the Association.

F. Data Protection.

The Project Implementing Entity shall ensure that the collection, storage, usage or processing (including transfers to third parties) of any Personal Data collected under the Project are carried out with due regard to appropriate data protection and privacy standards and practices, and ensure legitimate, appropriate, and proportionate treatment of such data.

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 5.08 (b) of the General Conditions and on the basis of the 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 than forty-five (45) days 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. Except as may otherwise be explicitly required or permitted under this Agreement or as may be explicitly requested by the Association, in sharing any information, report or document related to the activities described in Schedule 1 to the Financing Agreement, the Project Implementing Entity shall ensure that such information, report or document does not include Personal Data.
2. The Project Implementing Entity shall provide to the Recipient not later than four (4) months, for incorporation in the report referred to in Section 5.08 (c) of the General Conditions all such information as the Recipient or the Association shall reasonably request for the purposes of such Section.