
LOAN NUMBER 9247-IN

Program Agreement

(Chennai City Partnership: Sustainable Urban Services Program)

between

INTERNATIONAL BANK

FOR

RECONSTRUCTION AND DEVELOPMENT

and

STATE OF TAMIL NADU

PROGRAM AGREEMENT

AGREEMENT between INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (“Bank”) and STATE OF TAMIL NADU (“Program Implementing Entity”) (“Program Agreement”) in connection with the Loan Agreement (“Loan Agreement”) of the Signature Date between INDIA (“Borrower”) and the Bank, concerning Loan No. 9247-IN. The Bank, the Program Implementing Entity hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

- 1.01. The General Conditions (as defined in the Appendix to the Loan 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 Loan Agreement or the General Conditions.

ARTICLE II — PROGRAM

- 2.01. The Program Implementing Entity declares its commitment to the objectives of the Program. To this end, the Program Implementing Entity shall carry out the Program through TNIDB, in accordance with the provisions of Article V of the General Conditions and the Schedule 1 to this Agreement, and shall provide promptly as needed, the funds, facilities, services and other resources required for the Program.

ARTICLE III — REPRESENTATIVE; ADDRESSES

- 3.01. The Program Implementing Entity’s Representative is the Chief Secretary, Government of Tamil Nadu.
- 3.02. For purposes of Section 10.01 of the General Conditions: (a) the Bank’s address is:

International Bank for Reconstruction and Development
1818 H Street, N.W.
Washington, D.C. 20433
United States of America; and

(b) the Bank’s Electronic Address is:

Telex:	Facsimile:	E-mail:
248423(MCI) or 64145(MCI)	1-202-477-6391	wbindia@worldbank.org

3.03. For purposes of Section 10.01 of the General Conditions: (a) the Program Implementing Entity's address is:

Chief Secretary
Government of Tamil Nadu,
Secretariat,
Fort St. George
Chennai-600009

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

Telex:	Facsimile:	E-mail:
91-44-25671555	91-44-25672304	cs@tn.gov.in

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

**INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT**

By



Authorized Representative

Junaid Kamal Ahmad

Name: _____

Title: _____ Country Director

23-Nov-2021

Date: _____

STATE OF TAMIL NADU

By



Authorized Representative

N. Muruganandam

Name: _____

Title: _____ Principal Secretary, Finance Depart

29-Nov-2021

Date: _____

SCHEDULE 1

Program Execution

Section I. Implementation Arrangements

A. Program Fiduciary, Environmental and Social Systems

Without limitation on the provisions of Article V of the General Conditions, the Program Implementing Entity shall, carry out the Program in accordance with financial management, procurement and environmental and social management systems acceptable to the Bank which are designed to ensure that:

1. the Loan proceeds are used for their intended purposes, with due attention to the principles of economy, efficiency, effectiveness, transparency, and accountability; and
2. the actual and potential adverse environmental and social impacts of the Program are identified, avoided, minimized, or mitigated, as the case may be, all through an informed decision-making process.

B. Other Program Institutional and Implementation Arrangements

Program Institutions

Without limitation on the generality of Part A of this Section I, the Program Implementing Entity shall vest the overall responsibility for the implementation, management and monitoring of the Program in the Tamil Nadu Infrastructure Development Board (TNIDB) which shall coordinate the implementation of the Program by the Implementing Agencies.

To this end, the Program Implementing Entity shall;

1. no later than one (1) month from the Effective Date, establish and thereafter maintain throughout the period of implementation of the Program, a Program Steering Committee, chaired by the Chief Secretary with the Chief Executive Officer of TNIDB as the ex-officio member secretary, with functions, composition and responsibilities acceptable to the Bank; to oversee Program implementation activities and provide strategic guidance and policy direction on the Program activities.
2. cause TNIDB to maintain, throughout the period of implementation of the Program, a Program Management Unit ("PMU"), headed by its Chief Executive Officer as the Program Director which unit shall be provided with staff, in adequate number, each with terms of reference, qualifications and experience satisfactory to the Bank. The PMU shall remain vested with powers, financial resources, functions and competencies, acceptable to the Bank, to, among other things, coordinate the implementation of the Program activities by each of the Implementing Agencies in accordance with their respective mandate, all in compliance with the Program Implementing Entity and TNIDB's obligations under this Agreement, and provide support as needed for monitoring and reporting including compiling data on results and evidence on achievement of DLRs by the Implementing Agencies for submission to the Independent Verification Agent, TNIDB and the Bank.

3. ensure each of the Implementing Agencies designate, within two (2) months of the Effective Date, a nodal officer to facilitate the coordination of the Program activities implemented under its authority to be maintained, through the period of implementation of the Program.

C. Program Action Plan

1. The Program Implementing Entity shall cause TNIDB to, and TNIDB shall, through the Implementing Agencies:
 - (a) implement the Program Action Plan agreed with the Bank, in a manner and substance satisfactory to the Bank;
 - (b) refrain from amending, revising, waiving, voiding, suspending or abrogating, any provision of the Program Action Plan, whether in whole or in part, without the prior written concurrence of the Bank.
2. In the event of any inconsistency between the provision of the Program Action Plan and those of this Agreement and/or the Loan Agreement, the provision of the latter agreements shall govern.

D. Program Operations Manual

1. The Program Implementing Entity shall cause TNIDB to, and TNIDB shall:
 - (a) no later than three (3) months after the Effective Date prepare and adopt the Project Operational Manual in form and substance satisfactory to the Bank;
 - (b) carry out the Program in accordance with the Program Operations Manual;
 - (c) implement the provisions set forth in the Program Operations Manual for the strengthening of the Program Fiduciary, Environmental and Social Systems, in a manner and substance satisfactory to the Bank; and
 - (d) refrain from materially and/or substantially amending, revising, waiving, voiding, suspending or abrogating, any provision of the Program Operations Manual, whether in whole or in part.

E. Verification Protocols for the Program

The Program Implementing Entity shall cause TNIDB to, and TNIDB shall:

- (a) appoint within three (3) months from the Effective Date, and thereafter maintain, at all times during the implementation of the Program, one or more Independent Verification Agent(s) under terms of reference acceptable to the Bank, to verify the data and other evidence supporting the achievement of one or more DLRs as set forth in the table in Schedule 4 to the Loan Agreement and recommend corresponding payments to be made, as applicable; and
- (b) (i) ensure that the Independent Verification Agent(s) carries out verification and process(es) in accordance with the Verification Protocol; and (ii) submits to the Bank the corresponding verification reports in a timely manner and in form and substance

satisfactory to the Bank, prior to submission of any withdrawal application under Categories (1) to (10) of the table in Section IV.A.2 of Schedule 2 to the Loan Agreement.

Section II. Excluded Activities

The Program Implementing Entity shall cause TNIDB to, and TNIDB shall exclude any activities which:

- A. in the opinion of the Bank are likely to have significant adverse impacts that are sensitive, diverse, or unprecedented on the environment and/or affected people; or
- B. involve the procurement of: (1) works, estimated to cost seventy five million Dollars (\$75,000,000) equivalent or more per contract; (2) goods, estimated to cost fifty million Dollars (\$50,000,000) equivalent or more per contract; (3) non-consulting services, estimated to cost fifty million Dollars (\$ 50,000,000) equivalent or more per contract; or (4) consulting services, estimated to cost twenty million Dollars (\$ 20,000,000) equivalent or more per contract.

Section III. Program Monitoring, Reporting and Evaluation

- 1. The Program Implementing Entity shall cause TNIDB to, and TNIDB shall, with the inputs received from the Implementing Agencies, monitor and evaluate the progress of the Program and prepare Program Reports in accordance with the provisions of Section 5.08 of the General Conditions. Each Program Report shall cover the period of one (1) calendar semester, and shall be furnished to the Borrower not later than forty-five (45) days after the end of the period covered by such report for incorporation and forwarding by the Borrower to the Bank of the overall Program Report.

Schedule 2
Program Action Plan

Action Description	Source	Responsibility	Timing		Completion Measurement
1. CUMTA Board shall establish a Secretariat for Phase 1 and approve the CUMTA Operational Manual	Technical	CUMTA	Other	3 months from the Effective Date	Establishment of Secretariat with the appointment of at least 5 technical staff and formal approval of CUMTA Operational Manual by CUMTA Board.
2. MTC shall complete its Business Plan Update. Transport Department to define service obligations and secure viability gap funding.	Technical	MTC, DoT	Other	6 months from the Effective Date	Business plan approved by MTC Board and Transport Department. Adopted Government Order establishing the process to define service obligations and viability gap funding methodology.
3. Nirbhaya Apex Committee to establish Gender Lab	Technical	GCC	Other	3 months from the Effective Date	Establishment of Gender Lab with core staff recruited.
4. Establish service baseline, disaggregated by gender and socially vulnerable groups, and system for reporting services levels and access periodically.	Technical	CMWSSB, MTC, GCC	Other	within 9 months from the Effective Date	Baseline complete and system operational for periodic reporting on access and performance
5. Establish systems for conducting and acting on customer and citizen feedback.	Technical	MTC, CMWSSB, GCC	Other	within 9 months from the Effective Date	Systems for citizen feedback established and operational.
6. Formulation of detailed action plan for filling vacancies through promotion/recruitment as per revised staffing pattern	Technical	GCC	Other	within 6 months from the Effective Date	Action Plan finalized and approved within GCC with detailed processes and timelines for selection of candidates, interviews, appointments, etc.
7. Regular disclosure of procurement	Fiduciary Systems	All relevant agencies, TNIDB	Recurrent	Continuous	Regular disclosure of relevant procurement data (contracts tendered and awarded and value of the same) on nodal agency website

information related to bidding and contract award on the agencies/ nodal agency's website and other public dissemination avenues.					
8. Reducing backlog of accounts and audit bringing them up to date.	Fiduciary Systems	CMWSSB	Other	within 18 months from the Effective Date	Backlog of accounts and audits completed and accounts are online with the current financial year.
9. Prepare and publish annual performance report along with financial statements and audit reports within nine months from end of the FY in the website.	Fiduciary Systems	TNIDB, CMWSSB, MTC, and GCC	Other	within one year from the Effective Date	Annual Program Reports, financial statements and audit reports regularly published on website.
10. IAs' to establish a bidding and contract management (procurement) MIS system	Fiduciary Systems	PMU and Implementing Agencies	Other	within one year from the Effective Date	Procurement MIS system operational, with information on annual planned procurement, bidding stage, contract award, implementation progress till contract completion by each implementing agency.
11. Strengthen systems for sub-project screening as well as preparation, implementation, monitoring and documentation of environmental management plans	Environmental and Social Systems	MTC, CMWSSB, GCC, WRD	Other	within 9 months from the Effective Date	Environment staff designated for Program complete required trainings; screening, monitoring protocols are in place.
12. Strengthen institutional capacities and reporting on social risk management	Environmental and Social System	MTC, CMWSSB, GCC, WRD	Other	within 9 months from the Effective Date	Skilled Social Staff designated for program; training to manage social risks implemented; monitoring and reporting systems to track social outputs and outcomes are adopted.
13. Include all provisions to operationalize and implement the Anti-Corruption Guidelines in the Program Operations Manual and provide consolidated	Program Management	PMU and IAs	Recurrent	Continuous	Reports on ACG implementation to be shared with the Bank as part of the regular implementation support reviews.

quarterly report for all IAs' on : A)non inclusion of debarred firms in awarded contracts b) any cases of fraud and corruption in accordance with the Anti-Corruption Guidelines					
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