

Public Disclosure Authorized

# OFFICIAL DOCUMENTS

---

---

LOAN NUMBER 8855-IN

## Project Agreement

(Strengthening Public Financial Management in Rajasthan Project)

between

INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT

and

STATE OF RAJASTHAN

---

---

## **PROJECT AGREEMENT**

AGREEMENT between INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT ("Bank") and STATE OF RAJASTHAN ("Project Implementing Entity") ("Project Agreement") in connection with the Loan Agreement ("Loan Agreement") of the Signature Date between INDIA ("Borrower") and the Bank. The Bank 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 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 — 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 — REPRESENTATIVE; ADDRESSES**

- 3.01. The Project Implementing Entity's Representative is its Chief Secretary, Government of Rajasthan.
- 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

(b) the Bank's Electronic Address is:

Facsimile:

1-202-477-6391

3.03. For purposes of Section 10.01 of the General Conditions:

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

Finance Department  
Government of Rajasthan  
1<sup>st</sup> Floor, Main Building  
Government Secretariat  
Jaipur 302005  
Rajasthan  
India

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

Facsimile:

E-mail:

0141-2227934

[secretarybudget@rajasthan.gov.in](mailto:secretarybudget@rajasthan.gov.in)

0141-2227556

[jsfead@rajasthan.gov.in](mailto:jsfead@rajasthan.gov.in)

AGREED, as of the latest of the two dates written below.

INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT

By

  
\_\_\_\_\_  
Authorized Representative

Name: MISHAM ABDO

Title: ACTING COUNTRY DIRECTOR, INDIA

Date: MAY 29, 2018

STATE OF RAJASTHAN

By

  
\_\_\_\_\_  
Authorized Representative

Name: MANJU RAJPAL

Title: SECRETARY FINANCE, BUDGET

Date: MAY 29, 2018

## SCHEDULE

### Execution of the Project

#### Section I. Implementation Arrangements

##### A. Institutional Arrangements.

Without limitation upon the provisions of Section 3.01 of the Loan Agreement, Rajasthan, shall:

1. maintain, at all times during Project implementation, a Project Steering Committee (PSC), chaired by the Additional Chief Secretary, Finance and comprising, *inter alia*, the Secretaries/Heads of Departments of relevant Implementing Departments as applicable to the Government of Rajasthan to provide overall strategic guidance to the Project;
2. maintain at all times during Project implementation, a Project Management Unit (PMU) within Rajasthan's Economic Affairs Division of the Finance Department, for the Project with functions and responsibilities acceptable to the Bank, including, *inter alia*: (i) coordinating activities with the other Implementing Departments; (ii) taking actions for procurement, financial management, monitoring progress and evaluating performance; (iii) ensuring financial reports are available and submitted to the Bank; (iv) hiring technical experts and consultants, all in accordance with the Project Implementation Plan; and (v) ensuring timely funds flow to facilitate Project implementation;
3. ensure that, at all times the activities of the Project is reviewed and monitored by a Project Monitoring Committee (PMC) led by a senior official from the Indian Administrative Services (IAS), with the composition, functions and responsibilities as provided for in the Project Implementation Plan, assisted by a State project director and adequate professional and administrative staff, whether on deputation or otherwise, including specialists in procurement, financial management, budget and treasury, taxation and IT, and other Project related technical staff, in numbers and with experience and qualifications and under terms of reference agreed to between Rajasthan and the Bank;
4. ensure at all times during Project Implementation: (i) for each Part/sub-Part of the Project, a nodal officer from the other Implementing Departments is designated to coordinate with the PMU on the implementation of activities, monitoring, and reporting; and (ii) the activities under the Project are carried out in accordance with the Project Implementation Plan;
5. hire qualified service of technical experts recruited in a manner and under terms of reference satisfactory to the Bank; and

6. undertake a verification process, with an independent verification agent, being either an external independent party or an independent government agency, in accordance with the DLI Verification Protocol and terms of reference agreed with the Bank and set out in the Project Implementation Plan, to certify the fulfillment of each DLI Target set out in Schedule 4 to the Loan Agreement; and furnish to the Bank corresponding verification reports, in form and substance satisfactory to the Bank.

**B. Project Implementation Plan and other Documents**

1. The Project Implementing Entity shall:
  - (a) implement the Project in accordance with the Project Implementation Plan, and the Procurement Plan; provided, however, that in the event of conflict between the provisions of any of the said documents and manuals, on the one hand, and those of this Agreement or the Loan Agreement, on the other hand, the provisions of the latter shall prevail; and
  - (b) refrain from amending, suspending, waiving, and/or voiding any provision of the Project Implementation Plan and the Procurement Plan, whether in whole or in part, without the prior written concurrence of the Bank.

**Section II. Project Monitoring, Reporting and Evaluation**

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 indicators acceptable to the Bank. Each such Project Report shall cover the period of one calendar semester, and shall be furnished to the Bank not later than forty-five (45) days after the end of the period covered by such report.
2. The Project Implementing Entity shall provide to the Borrower not later than five (5) months after the Closing Date, for incorporation in the report referred to in Section 5.08 (c) of the General Conditions all such information as the Borrower or the Bank shall reasonably request for the purposes of that Section.

**Section III. Procurement**

All goods, works and services required for the Project and to be financed out of the proceeds of the Loan shall be procured in accordance with the provisions of Section III of Schedule 2 to the Loan Agreement.