Pakistan Partnership for Improved Nutrition Multi-Donor Trust Fund
Grant Agreement

(Multi-Sectoral Action for Nutrition Project)

between

ISLAMIC REPUBLIC OF PAKISTAN

and

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

acting as administrator of the Pakistan Partnership for Improved Nutrition Multi-Donor Trust Fund

Dated Nov. 8, 2017
AGREEMENT dated 8 November 2017, entered into between:

the ISLAMIC REPUBLIC OF PAKISTAN ("Recipient"); and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT/INTERNATIONAL DEVELOPMENT ASSOCIATION ("World Bank"), acting as administrator of the Pakistan Partnership for Improved Nutrition Multi-Donor Trust Fund.

The Recipient and the World Bank hereby agree as follows:

Article I
Standard Conditions; Definitions

1.01. The Standard Conditions 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 Standard Conditions or in this Agreement.

Article II
The Project

2.01. The Recipient declares its commitment to the objectives of the Project described in Schedule 1 to this Agreement ("Project"). To this end, the Recipient shall cause the Project to be carried out by the Province of Sindh ("Project Implementing Entity"), in accordance with the provisions of Article II of the Standard Conditions and the agreement dated the same date as this Agreement between the World Bank and the Project Implementing Entity, as such agreement may be amended from time to time ("Project Agreement").

2.02. Without limitation upon the provisions of Section 2.01 of this Agreement, and except as the Recipient and the World Bank shall otherwise agree, the Recipient shall ensure that the Project is carried out in accordance with the provisions of Schedule 2 to this Agreement.
Article III
The Grant

3.01. The World Bank agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a grant in an amount not to exceed five million United States Dollars ($5,000,000) ("Grant") to assist in financing the Project.

3.02. The Recipient may withdraw the proceeds of the Grant in accordance with Section IV of Schedule 2 to this Agreement.

3.03. The Grant is funded out of the abovementioned trust fund for which the World Bank receives periodic contributions from the donors ("Donors") to the trust fund. In accordance with Section 3.02 of the Standard Conditions, the World Bank's payment obligations in connection with this Agreement are limited to the amount of funds made available to it by the donors under the abovementioned trust fund, and the Recipient's right to withdraw the Grant proceeds is subject to the availability of such funds.

Article IV
Recipient's Representative; Addresses

4.01. The Recipient’s Representative referred to in Section 7.02 of the Standard Conditions is Secretary, Additional Secretary, Joint Secretary, Deputy Secretary or Section Officer of the Economic Affairs Division of the Ministry of Finance, Revenue, Economic Affairs, Statistics and Privatization, each such person acting individually.

4.02. The Recipient’s Address referred to in Section 7.01 of the Standard Conditions is:

The Secretary to the Government of Pakistan
Economic Affairs Division
Ministry of Finance, Revenue, Economic Affairs, Statistics and Privatization
Islamabad
Pakistan

Facsimile: 92-51-921-8976
4.03. The World Bank's Address referred to in Section 7.01 of the Standard Conditions is:

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

Facsimile:
1-202-477-6391

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

ISLAMIC REPUBLIC OF PAKISTAN

By

[Signature]
Authorized Representative

Name: ARIF AHMED KHAN
Title: Secretary
Economic Affairs Division
Government of Pakistan
Islamabad

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT / INTERNATIONAL DEVELOPMENT ASSOCIATION
acting as administrator of the Pakistan Partnership for Improved Nutrition Multi-Donor Trust Fund

By

[Signature]
Authorized Representative

Name: 
Title: 


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SCHEDULE 1
Project Description

The objective of the Project is to increase the dietary diversity and improve sanitation and hygiene practices in targeted Project Areas.

The Project consists of the following parts:

Part 1. Support to Saaf Suthro Sindh

Carrying out a program of activities to create open defecation-free (ODF) jurisdictions and promote handwashing through:

1.1. Building Capacity for ODF Certification. Building the capacity of the Project Implementing Entity, NGOs, district ODF committee representatives, school teachers, and district management to strengthen their social mobilization and technical knowledge; synergies between hygiene and nutrition; grounding of the principles of ODF; development of procedures for certification; and know-how of feasible toilet design, construction and management solutions.

1.2. Behavior Change for Improved Hygiene. Provision of technical assistance to Village Organizations to formulate and implement village ODF plans, including, inter alia strategies to raise awareness of sanitation, hygiene and nutrition.

1.3. Incentivizing Good Hygiene Behavior. (a) Construction of improved latrines and handwashing stations in government schools in the Project Areas as an incentive for achieving district targets for ODF certification; and (b) Provision of ODF Subgrants to ODF Subgrant Recipients to finance selected priority public infrastructure needs upon achieving 100% ODF certification.

Part 2. Agriculture for Nutrition

Piloting investments including small scale diversified food production, to improve dietary diversity among at risk households, and demonstrate the contribution of healthy diet to eliminating stunting, through:

2.1. Food Production and Management. Provision of: (a) A4N Subgrants through A4N Fund to A4N Subgrant Recipients to purchase assets needed for integrated homestead production; and (b) technical assistance, including training to A4N Subgrant Recipients using FFS approach and featuring female farmer field schools, and marketing surplus foods through farmer business schools.
2.2.  *Awareness Raising on Nutrition and Healthy Diet.* Carrying out a communication program: (a) on healthy diet to promote behavior change around diets and child feeding practices; and (b) on management of livestock waste to limit the exposure of children to such waste, and to promote hand washing.

2.3.  *Capacity Development for DOA and DOLF.* Carrying out a program of capacity building activities, including training and workshops on nutrition-focused approaches to agriculture and livestock/nutrition sensitive agriculture, A4N Fund management, Project implementation, mobilization, FFS curriculum, and communications on behavior change.

Part 3. Project Management, Monitoring, and Coordination

Carrying out a program of activities to support the PMUs in (a) Project management, including media communications, inter-sectoral coordination, financial management, procurement and environmental and social safeguards; establishment and staffing of a Project Management Office at the provincial level; coordination with the DNCC for hygiene, sanitation, and agriculture/livestock activities; (b) village and household mobilization, including facilitating NGOs as implementing partners to Local Government Department for *Saaf Suthro* Sindh intervention, hygiene, nutrition and health; (c) monitoring and learning; (d) impact evaluation of Project activities; and (e) knowledge management and media communications.
SCHEDULE 2

Project Execution

Section I. Institutional and Other Arrangements

A. On-lending Arrangements

1. To facilitate the carrying out of the Project, the Recipient shall make the proceeds of the Grant available to the Province of Sindh in accordance with the provision of this Agreement and the Recipient's on-granting policies and budgetary procedures, and under the same terms and conditions as shall have been received from the World Bank.

2. Notwithstanding paragraph 1 above, in the event that any of the provision of this Agreement, including the instructions that the World Bank shall have specified by notice to the Recipient pursuant to Section IV.A.I of this Schedule, are inconsistent with the budgetary procedures of the Recipient, the provision of this agreement shall govern.

3. The Recipient shall exercise its rights under the on-granting arrangements referred to in the preceding paragraphs in such manner as to protect the interests of the World Bank and to accomplish the purposes of the Grant.

B. Anti-Corruption

The Recipient shall ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.

C. Project Operations Manual

The Recipient shall cause the Project Implementing Entity to carry out the Project in accordance with the arrangements and procedures set out in the Project Operations Manual (provided, however, that in the event of any conflict between the arrangements and procedures set out in the Project Operations Manual and the provisions of this Agreement, the provisions of this Agreement shall prevail) and shall not amend, abrogate or waive and shall cause the Project Implementing Entity not to amend, abrogate or waive any provision of Project Operations Manual unless the World Bank has provided its prior no-objection thereof in writing.

D. Environmental and Social Safeguards

The Recipient shall cause the Project Implementing Entity to carry out the Project in accordance with the Environmental and Social Management Framework, including the Resettlement Policy Framework and the Integrated Pest Management Plan.
E. Donor Visibility and Visit

1. The Recipient shall take or cause to be taken all such measures as the World Bank may reasonably request to identify publicly the Donors’ support for the Project.

2. For the purposes of Section 2.09 of the Standard Conditions, the Recipient shall, upon the World Bank’s request, enable the representatives of the Donor(s) to visit any part of the Recipient’s territory for purposes related to the Project.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports; Completion Report

1. The Recipient shall cause the Project Implementing Entity to monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 2.06 of the Standard Conditions and on the basis of the indicators set forth in the Project Operations Manual acceptable to the World Bank. Each Project Report shall cover the period of one (1) calendar quarter, and shall be furnished to the World Bank not later than forty-five (45) days after the end of the period covered by such report.

2. The Recipient shall cause the Project Implementing Entity to prepare the Completion Report in accordance with the provisions of Section 2.06 of the Standard Conditions. The Completion Report shall be furnished to the World Bank not later than six (6) months after the Closing Date.

B. Financial Management; Financial Reports; Audits

1. The Recipient shall ensure that a financial management system is maintained in accordance with the provisions of Section 2.07 of the Standard Conditions.

2. The Recipient shall ensure that interim unaudited financial reports for the Project are prepared and furnished to the World Bank not later than forty-five (45) days after the end of each calendar quarter, covering the quarter, in form and substance satisfactory to the World Bank.

3. The Recipient shall cause the Project Implementing Entity to have its Financial Statements for the Project audited in accordance with the provisions of Section 2.07 (b) of the Standard Conditions. Each such audit of the Financial Statements shall cover the period of one (1) fiscal year of the Recipient. The audited Financial Statements for each such period shall be furnished to the World Bank not later than six (6) months after the end of such period.
Section III. Procurement

A. General

1. Procurement and Consultant Guidelines. All goods, works, non-consulting-services and consultants’ services required for the Project and to be financed out of the proceeds of the Grant shall be procured in accordance with the requirements set forth or referred to in:


(b) the provisions of this Section III, as the same shall be elaborated in the procurement plan prepared and updated from time to time by the Recipient for the Project in accordance with paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines (“Procurement Plan”).

2. Definitions. The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the World Bank of particular contracts, refer to the corresponding method described in Sections II and III of the Procurement Guidelines, or Sections II, III, IV and V of the Consultant Guidelines, as the case may be.

B. Particular Methods of Procurement of Goods, Works and Non-consulting Services

1. International Competitive Bidding. Except as otherwise provided in paragraph 2 below, goods, works and non-consulting services shall be procured under contracts awarded on the basis of International Competitive Bidding.

2. Other Methods of Procurement of Goods, Works and Non-consulting Services. The following methods, other than International Competitive Bidding, may be used for procurement of goods, works and non-consulting services for those contracts specified in the Procurement Plan: (a) Limited International Bidding; (b) National Competitive Bidding, subject to the additional provisions agreed upon from time to time between the Recipient and the World Bank and set forth in the Project Operations Manual; (c) Shopping; (d) procurement under Framework Agreements in accordance with procedures which have been found
acceptable to the World Bank; (e) Direct Contracting; (f) Commercial Practices which have been found acceptable to the World Bank; and (g) Community Participation procedures which have been found acceptable to the World Bank.

C. Particular Methods of Procurement of Consultants' Services

1. Quality- and Cost-based Selection. Except as otherwise provided in paragraph 2 below, consultants' services shall be procured under contracts awarded on the basis of Quality- and Cost-based Selection.

2. Other Methods of Procurement of Consultants' Services. The following methods, other than Quality- and Cost-based Selection, may be used for procurement of consultants' services for those assignments which are specified in the Procurement Plan: (a) Quality-based Selection; (b) Selection under a Fixed Budget; (c) Least Cost Selection; (d) Selection based on Consultants' Qualifications; (e) Single-source Selection of consulting firms; (f) Selection of Individual Consultants; and (g) Single-source procedures for the Selection of Individual Consultants.

D. Review by the World Bank of Procurement Decisions

The Procurement Plan shall set forth those contracts which shall be subject to the World Bank's Prior Review. All other contracts shall be subject to Post Review by the World Bank.

Section IV. Withdrawal of Grant Proceeds

A. General

1. The Recipient may withdraw the proceeds of the Grant in accordance with the provisions of: (a) Article III of the Standard Conditions; (b) this Section; and (c) such additional instructions as the World Bank may specify by notice to the Recipient (including the “World Bank Disbursement Guidelines for Investment Project Financing” dated February 2017, as revised from time to time by the World Bank and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the table in paragraph 2 below.

2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Grant (“Category”), the allocations of the amounts of the Grant to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:
<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Grant Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be Financed (exclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, works, non-consulting services, consulting services, training and Operating Costs under Parts 1, 2, and 3 (except Part 1.3(b) and Part 2.1(a)) of the Project</td>
<td>3,700,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) ODF Subgrants under Part 1.3(b) of the Project</td>
<td>890,000</td>
<td>100% of ODF Subgrants disbursed</td>
</tr>
<tr>
<td>(3) A4N Subgrants under Part 2.1(a) of the Project</td>
<td>410,000</td>
<td>100% A4N Subgrants disbursed</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>5,000,000</strong></td>
<td></td>
</tr>
</tbody>
</table>

**B. Withdrawal Conditions; Withdrawal Period**

1. Notwithstanding the provisions of Part A of this Section no withdrawal shall be made for payments made prior to the date of this Agreement

2. The Closing Date referred to in Section 3.06 (c) of the Standard Conditions is December 31, 2020.
APPENDIX

Definitions

1. “Agriculture for Nutrition Fund” or “A4N Fund” means the subgrant facility through which A4N Subgrants will be channeled to A4N Subgrant Recipients in accordance with criteria set forth in the Project Operations Manual.

2. “Ambassadors of Change” or “AOC” means unemployed youth, mainly females, selected, engaged and trained to serve as AOCs under the Project, and responsible for raising awareness about sanitation, hygiene and nutrition in their respective villages.


4. “A4N Subgrant” means a subgrant made or proposed to be made by the Recipient to a A4N Subgrant Recipient out of the proceeds of the Grant, pursuant to a Subproject Grant Agreement for the purposes of financing goods, works and services required for a Subproject, in accordance with the provisions of Section I.F of the Schedule to the Project Agreement.

5. “A4N Subgrant Recipients” means households or groups of households that are part of the Project Areas that qualify to receive A4N Subgrants in accordance with the criteria set forth in the Project Operations Manual.

6. “A4N Technical Committee” means the committee consisting of representatives from the Department of Agriculture and the Department of Livestock and Fisheries, maintained pursuant to Section 1.2(b) of the Schedule to the Project Agreement.

7. “Department of Agriculture” or “DOA” means the Project Implementing Entity's government department in charge of agriculture, or any successor thereto.

8. “Department of Health” or “DOH” means the Project Implementing Entity’s government department in charge of health, or any successor thereto.

9. “Department of Livestock and Fisheries” or “DOLF” means the Project Implementing Entity's government department in charge of livestock and fisheries, or any successor thereto.

10. “Displaced Persons” means persons who, on account of the implementation of the Project, have experienced or would experience direct economic and social impacts caused by: (a) the involuntary taking of land, resulting in: (i) relocation or loss of shelter; (ii) loss of assets or access to assets; (iii) loss of income source or means of livelihood, whether or not such persons must move to another location; or (b) the
involuntary restriction of access to legally designated parks and protected areas, resulting in adverse impacts on the livelihood of such persons.

11. “District Nutrition Coordination Committee” or “DNCC” means a committee established under DOH within each Project Area, chaired by the Deputy Commissioner, comprising representatives of nutrition, sanitation, agriculture, and livestock, NGOs and other relevant stakeholders, to ensure coordination across the sectors.

12. “Environmental and Social Management Framework” or “ESMF” means the environmental and social management framework, including the RPF developed for the Project and acceptable to the World Bank, dated December 2016 and publicly disclosed on January 6, 2017, setting out the principles, standards, processes and tools to be applied to assess potential adverse environmental and social impacts associated with Project activities and the ways to avoid, minimize and/or mitigate them, with related public consultation, disclosure, reporting and grievance redress procedures, including for the preparation of Environmental and Social Management Plan and amendment of the Pest Management Plan, as may be required for Project activities, as said framework may be modified from time to time by agreement between the Recipient and the World Bank.

13. “Environmental and Social Management Plan” or “ESMP” means each plan to be prepared in accordance with the ESMF pursuant to Section I.D of Schedule 2 to this Agreement, each such plan in form and substance satisfactory to the World Bank, setting out, inter alia, details of measures to manage potential environmental and social risks and avoid, minimize and/or mitigate any adverse environmental and social impacts associated with the implementation of Project activities, together with adequate budget, institutional, monitoring, reporting and grievance redress arrangements capable of ensuring proper implementation of, and regular feedback on compliance with, its terms, as said plan may be modified from time to time with the prior written no-objection of the World Bank, and such term includes any annexes and schedules to such plan.

14. “FFS” means farmer field school – a group-based learning bringing together various concepts and methods to agriculture and farming.

15. “Integrated Pest Management Plan” or “IPMP” means the Project Implementing Entity's plan, dated August 2013, which may be amended to meet the requirements of this Project and acceptable to the World Bank, setting forth mitigation, enhancement, monitoring, and institutional measures, including capacity building through training, for integrated pest management and the safe handling of pesticides under activities to be implemented under the Project, as the same may be modified from time to time with the prior written agreement of the World Bank, and such term includes any annexes, appendices, or schedules to such plan.
16. "Local Government Department" or "LGD" means the Project Implementing Entity’s Local Government Department, or any successor thereto.

17. "NGO" means Non-governmental organizations.

18. "ODF" means open defecation-free.

19. "ODF Subgrant" means a subgrant made or proposed to be made by the Recipient to a ODF Subgrant Recipient out of the proceeds of the Grant, pursuant to a Subproject Grant Agreement for the purposes of financing goods, works and services required for a Subproject, in accordance with the provisions of Section I.F of the Schedule to the Project Agreement.

20. "ODF Subgrant Recipients" means selected Village Organizations in the Project Areas that qualify to receive ODF Subgrants in accordance with the criteria set forth in the Project Operations Manual.

21. "Operating Costs" means the incremental operating costs under the Project incurred by the Recipient and the Province of Sindh for purposes of Project management and implementation on account of office supplies and consumables, utilities, bank charges, communications, mass media and printing services, vehicle rental, operation, maintenance, and insurance, building and equipment maintenance, domestic travel, lodging, and subsistence allowances, and salaries of contractual and temporary staff, but excluding salaries and any salary supplements of members of the Recipient’s or the Province of Sindh’s civil service.

22. "Planning and Development Department" or "P&DD" means the Project Implementing Entity’s focal planning and development department mandated to collaborate with provincial departments on planning, budgeting, and sanitation and agriculture activities under the Project, or any successor thereto.

23. "Project Areas" means the Project areas of implementation within the thirteen selected Sindh districts: Badin, Dadu, Jacobabad, Kambar Shahdadkot, Kashmore, Larkana, Sanghar, Shikarpur, Sujawwal, Tando Muhammad Khan, Tharparkar, Thatta, and Umerkot”.

24. "Project Implementing Entity" means the Province of Sindh.

25. "Project Management Office" or “PMO” means the office established to jointly house the Project Management Units for Local Government Department and the Department of Agriculture.

26. "Project Management Unit" or “PMU” means each PMU for the Local Government Department and the DOA/DOLF, and collectively referred to as the “PMUs”.
27. “Project Operations Manual” or “POM” means the manual adopted by Recipient for the implementation of the Project referred to in Section I.C of Schedule 2 to this Agreement, containing detailed arrangements and procedures for: (a) institutional coordination and day-to-day execution of the Project, including criteria, procedures, and terms for Subprojects; (b) disbursement and financial management; (c) procurement; (d) environmental and social safeguards management; (e) monitoring and evaluation, reporting and communication; and (f) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the Project; as said manual may be modified from time to time with the prior written no-objection of the World Bank, and such term includes any schedules to such manual.

28. “Provincial Nutrition Steering Committee” or “PNSC” means the Project Implementing Entity’s committee established under the P&DD, chaired by the Chairman P&D Board and comprised of members of the WASH Technical Committee, A4N Technical Committee and secretaries of all relevant line departments, maintained pursuant to Section 1.2(a) of the Schedule to the Project Agreement.

29. “Resettlement Action Plan” or “RAP” means any plan to be prepared in accordance with the RPF, pursuant to Section I.D of Schedule 2 to this Agreement, each such plan in form and substance satisfactory to the World Bank, setting out, *inter alia*, measures for compensation and resettlement of any Displaced Persons, including the magnitude of displacement, compensation and resettlement arrangements, budget and cost estimates, and sources of funding, together with adequate institutional, monitoring, reporting and grievance redress arrangements capable of ensuring proper implementation of, and regular feedback on compliance with its terms, as said plan may be modified from time to time with the prior written no-objection of the World Bank, and such term includes any annexes and schedules to such plan.

30. “Resettlement Policy Framework” or “RPF” means the Recipient’s framework prepared for the Project as part of the ESMF, dated December 2016 and publicly disclosed on January 6, 2017, acceptable to the World Bank, setting out measures and actions to be taken during the implementation of the Project for the provision of compensation, rehabilitation and resettlement assistance to any Displaced Persons, and protocols and procedures for voluntary land donations, with related public consultation, disclosure, monitoring, reporting and grievance redress procedures; as said framework may be modified from time to time with the prior written no-objection of the World Bank, and such term includes any schedules or annexes to such framework.

31. “Saaf Suthro Sindh” means the Project Implementing Entity’s approved plan that aims to make the Province of Sindh open defecation-free (clean and sanitized Sindh).

33. "Subprojects" means, collectively: (a) selected priority public infrastructure investments to be carried out through the provision of ODF Subgrants; and (b) agriculture and nutrition focused activities/nutrition sensitive agriculture, including integrated homestead production to be carried out through the provision of A4N Subgrants.

34. "Subproject Grant Agreement" means a subproject grant agreement to be entered into between the Project Implementing Entity and the respective ODF Subgrant Recipient or A4N Subgrant Recipient, as applicable, pursuant to Section I.F.3 of the Schedule to the Project Agreement.

35. "Training" means the reasonable costs of training attributable to travel and subsistence allowances for training participants, seminars, workshops, study tours, rental of training facilities, services of trainers and presenters, preparation and reproduction of training materials, and other costs directly related to preparation and implementation of training programs.

36. "Village Organizations" means organizations at the village level notified by an appropriate authority for purposes of the Project, chaired by an elected leader and comprised of representatives from community public facilities, such as schools and basic health units and other community groups and committees, and supported by AOCs, DOA and DOLF, and responsible for overseeing and monitor Project implementation in their respective villages.

37. "WASH" means water, sanitation and hygiene.

38. "WASH Technical Committee" means the committee established within the Local Government Department, chaired by the Secretary of Local Government maintained pursuant to Section I.2(b) of the Schedule to the Project Agreement.