

GRANT NUMBER - TF0B2195

Grant Agreement

**(Integration of Social Accountability into National and
Sub-National Systems Project)**

between

KINGDOM OF CAMBODIA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

GRANT NUMBER - TF0B2195

GRANT AGREEMENT

AGREEMENT dated as of the Signature Date between KINGDOM OF CAMBODIA ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Bank"). The Recipient and the Bank hereby agree as follows:

**Article I
Standard Conditions; Definitions**

- 1.01. The Standard Conditions (as defined in the Appendix to this 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 Standard Conditions or in the Appendix this Agreement.

**Article II
The Project**

- 2.01. The Recipient declares its commitment to the objective of the project described in Schedule 1 to this Agreement ("Project"). To this end, the Recipient shall carry out the Project, through NCDDDS, in accordance with the provisions of Article II of the Standard Conditions and Schedule 2 to this Agreement.

**Article III
The Grant**

- 3.01. The Bank agrees to extend to the Recipient a grant in an amount not to exceed one million seven hundred and twenty thousand Dollars (\$1,720,000) ("Grant") to assist in financing the Project.
- 3.02. The Recipient may withdraw the proceeds of the Grant in accordance with Section III of Schedule 2 to this Agreement.
- 3.03. The Grant is funded out of the abovementioned trust fund for which the Bank receives periodic contributions from the donors to the trust fund. In accordance with Section 3.02 of the Standard Conditions, the 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 the Minister at the time responsible for finance.

4.02. For purposes of Section 7.01 of the Standard Conditions:

(a) the Recipient's address is:

Ministry of Economy and Finance
Street 92
Sangkat Wat Phnom, Khan Daun Penh
Phnom Penh
Kingdom of Cambodia; and

(b) the Recipient's Electronic Address is:

Facsimile:	E-mail:
(855- 23) 725-341	thirong_pen@mef.gov.kh
(855- 23) 427-798	

4.03. For purposes of Section 7.01 of the Standard Conditions:

(a) the Bank's address is:

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

(b) the Bank's Electronic Address is:

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

AGREED as of the Signature Date.

KINGDOM OF CAMBODIA

By



Authorized Representative

Name: AUN PORN MONIROTH, Ph.D

Title: Deputy Prime Minister
Minister of Economy and Finance

Date: March 17, 2020

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Authorized Representative

Name: INGUNA DOBRATA

Title: COUNTRY MANAGER

Date: FEBRUARY 19, 2020

SCHEDULE 1

Project Description

The objective of the Project is to improve the performance of public service providers through the development and institutionalization of national and sub-national government systems for improved transparency, strengthened citizen engagement and responsive action.

The Project consists of the following parts:

Part 1: Transparency and Access to Information: Provision of support to strengthen transparency and improve citizen access to information relating to public service performance, budget and expenditure, including: (i) the implementation of ISAF activities through training-of-trainers and organizing outreach events; (ii) developing and piloting a set of ISAF administrative tools for district/municipality administrations; and (iii) enhancing and managing an electronic platform for access to information.

Part 2: Citizen Monitoring: Provision of support to empower citizens to monitor and evaluate public services and propose actions for improvement using the community scorecard process and self-assessment meetings, including (i) integrating community score card processes into health centers, schools, commune/sangkat councils and district/municipality administrations; (ii) training commune, school, health center and district administration staff to conduct self-assessment meetings; and (iii) supporting collaboration between sub-national authorities and services providers in self-assessment meetings.

Part 3: Implementation of Joint Accountability Action Plans (JAAPS): Provision of support to stakeholders to implement agreed JAAP, including conducting training for relevant personnel at all levels.

Part 4: Capacity Development. Support: (i) the preparation and revision of necessary documentation to develop new guidelines and training materials for government implementation of ISAF activities; (ii) strategic planning and training for key stakeholders; and (iii) the preparation of a standardized training curriculum and accreditation program for public servants.

Part 5: National and Subnational Coordination and Support. Provision of assistance for the Project management, administration, coordination, and financing of Operating Costs, including monitoring and evaluation.

SCHEDULE 2

Project Execution

Section I. Institutional and Other Arrangements

A. Institutional Arrangements

1. To facilitate the carrying out of the Project, the Recipient shall maintain, at all times during Project implementation, Project implementation structures within NCDDS, with functions and resources satisfactory to the Bank, and with staff in adequate numbers and with qualifications, experience and terms of reference satisfactory to the Bank.
2. The Recipient shall, through NCDDS, maintain throughout the implementation of the Project, a PSC, with structure, functions, membership, terms of reference and responsibilities satisfactory to the Bank, including the responsibility to ensure effective Project implementation.

B. Project Implementation Manual

The Recipient shall carry out the Project, through NCDDS, in accordance with the Project Implementation Manual. Except as the Bank may otherwise agree in writing, the Recipient shall not amend or otherwise waive any provision of the Project Implementation Manual. In the event of a conflict between the provisions of the Project Implementation Manual and those of this Agreement, the provisions of this Agreement shall prevail.

C. Annual Work Plans

The Recipient shall furnish to the Bank, for review and approval as soon as available, but in any case not later than December 1 of each year, the detailed annual work plan and budget for the Project for each subsequent year of Project implementation, of such scope and detail as the Bank shall have reasonably requested and thereafter ensure that the Project is carried out in accordance with such plan and budget as agreed with the Bank.

D. Environmental and Social Standards.

1. The Recipient shall ensure that the Project is carried out in accordance with the Environmental and Social Standards, in a manner acceptable to the Bank.
2. Without limitation upon paragraph 1 above, the Recipient shall ensure that the Project is implemented in accordance with the Environmental and Social

Commitment Plan ("ESCP"), in a manner acceptable to the Bank. To this end, the Recipient shall ensure that:

- (a) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, and as further specified in the ESCP;
- (b) sufficient funds are available to cover the costs of implementing the ESCP;
- (c) policies, procedures and qualified staff are maintained to enable it to implement the ESCP, as further specified in the ESCP; and
- (d) the ESCP or any provision thereof, is not amended, revised or waived, except as the Bank shall otherwise agree in writing and the Recipient has, thereafter, disclosed the revised ESCP.

In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.

3. The Recipient shall:

- (a) take all measures necessary on its part to collect, compile, and furnish to the Bank through regular reports, with the frequency specified in the ESCP, and promptly in a separate report or reports, if so requested by the Bank, information on the status of compliance with the ESCP [and the management tools and instruments referred to therein], all such reports in form and substance acceptable to the Bank, 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) promptly notify the Bank 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 instruments referenced therein and the Environmental and Social Standards.

4. The Recipient shall maintain and publicize the availability of a grievance mechanism, in form and substance satisfactory to the Bank, to hear and determine fairly and in good faith all complaints raised in relation to the Project, and take all measures necessary to implement the determinations made by such mechanism in a manner satisfactory to the Bank.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

The Recipient shall ensure that each Project Report is furnished to the Bank not later than one month after the end of each calendar semester, covering the calendar semester.

Section III. 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; and (b) this Section; to finance Eligible Expenditures in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table.

Category	Amount of the Grant Allocated (expressed in USD)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, non-consulting services, consulting services, Operating Costs, Training and Workshops, under the Project	1,720,000	100%
TOTAL AMOUNT	1,720,000	

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 Signature Date, except that withdrawals up to an aggregate amount not to exceed \$50,000 may be made for payments made prior to this date but on or after December 1, 2019 for Eligible Expenditures.
2. The Closing Date is June 30, 2024.

APPENDIX

Definitions

1. “Annual Work Plans” means the work plans referred to in Section 1.C of Schedule 2 to this Agreement, as said plans may be modified from time to time with the prior written approval of the Bank.
2. “Anti-Corruption Guidelines” means, for purposes of paragraph 2 of the Appendix to the Standard Conditions, the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006, and revised in January 2011, and as of July 1, 2016.
3. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
4. “Environmental and Social Commitment Plan” or the acronym “ESCP” means the Recipient’s environmental and social commitment plan, acceptable to the Bank, dated October 18, 2019 which sets out a summary of the material measures and actions to address the potential environmental and social risks and impacts of the Project, including the timing of the actions and measures, institutional, staffing, training, monitoring and reporting arrangements, and any instruments to be prepared thereunder; as the ESCP may be revised from time to time, with prior written agreement of the Bank, and such term includes any annexes or schedules to such plan.
5. “Environmental and Social Standards” means, collectively: (i) “Environmental and Social Standard 1: Assessment and Management of Environmental and Social Risks and Impacts”; (ii) “Environmental and Social Standard 2: Labor and Working Conditions”; (iii) “Environmental and Social Standard 3: Resource Efficiency and Pollution Prevention and Management”; (iv) “Environmental and Social Standard 4: Community Health and Safety”; (v) “Environmental and Social Standard 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement”; (vi) “Environmental and Social Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources”; (vii) “Environmental and Social Standard 7: Indigenous Peoples/Sub-Saharan Historically Underserved Traditional Local Communities”; (viii) “Environmental and Social Standard 8: Cultural Heritage”; (ix) “Environmental and Social Standard 9: Financial Intermediaries”; (x) “Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure”; effective on October 1, 2018, as published by the Bank at <http://www.worldbank.org/en/projects-operations/environmental-and-social-policies>.
6. “ISAF” means the Recipient’s Implementation Plan for the Social Accountability Framework.

7. "JAAPs" means the Recipient's Joint Accountability Action Plans.
8. "MOI" means the Recipient's Ministry of Interior, or any successor thereto.
9. "National Committee for Sub-National Democratic Development Secretariat" or ("NCDDS") means the implementing agency located in the Recipient's MOI, or any successor thereto.
10. "Operating Costs" means reasonable expenditures directly related to the Project, incurred by the Recipient (which expenditures would not have been incurred absent the Project), including office supplies, office and equipment rental, utilities and communications expenses, vehicle operation and maintenance, vehicle rental, charges for the opening and operation of bank accounts required for the Project, and travel, lodging and per diems, but excluding salaries of officials of the Recipient's civil service.
11. "Procurement Regulations" means, for purposes of paragraph 20 of the Appendix to the Standard Conditions, the "World Bank Procurement Regulations for IPF Borrowers", dated July 2016, revised November 2017 and August 2018.
12. "Project Implementation Manual" means the manual to be adopted by the Recipient, through NCDDS, for the implementation of the Project referred to in Section I.B of Schedule 2 to this Agreement, containing detailed arrangements and procedures as shall be required for the Project, as said manual may be modified from time to time with the prior written approval of the Bank.
13. "PSC" means the Partnership Steering Committee referred to in Section I.A.2 of Schedule 2 to this Agreement.
14. "Signature Date" means the later of the two dates on which the Recipient and the Bank signed this Agreement and such definition applies to all references to "the date of the Grant Agreement" in the Standard Conditions.
15. "Standard Conditions" means the "International Bank for Reconstruction and Development and International Development Association Standard Conditions for Grant Financing Made by the Bank out of Trust Funds", dated February 25, 2019.
16. "Training and Workshops" means the reasonable costs of training and workshops conducted under the Project, including purchase and publication of materials, rental of facilities, course fees, and travel, accommodation and subsistence of trainees, trainers, and facilitators, and other costs directly related to the training course and workshop preparation and implementation.