
MDTF GRANT NUMBER TF0B8445

Think Africa Partnership
Multi-Donor Trust Fund
Grant Agreement

(Support to Regional Knowledge Capacity on Economic Transformation,
Resilience and Recovery Project)

between

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION
(acting as administrator of the Think Africa Partnership Multi-Donor Trust Fund)

and

AFRICAN CENTER FOR ECONOMIC TRANSFORMATION

MDTF GRANT NUMBER TF0B8445

**THINK AFRICA PARTNERSHIP MULTI-DONOR TRUST FUND
GRANT AGREEMENT**

AGREEMENT dated as of the Signature Date between the INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT and the INTERNATIONAL DEVELOPMENT ASSOCIATION, acting as administrator of the Think Africa Partnership Multi-Donor Trust Fund (“Bank”) and the AFRICAN CENTER FOR ECONOMIC TRANSFORMATION (“Recipient”). 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 to 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 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 eight million United States Dollars (\$8,000,000) (“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
Additional Remedies**

- 4.01. The Additional Events of Suspension referred to in Section 4.02(k) of the Standard Conditions consist of the following:
- (a) The Recipient's Enabling Legislation has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of the Recipient to perform any of its obligations under the Project.
 - (b) An extraordinary situation has arisen which makes it improbable that the Recipient shall be able to perform its obligations under the Project.

**Article V
Effectiveness; Termination**

- 5.01. The Additional Condition of Effectiveness consists of the following:
- (a) The Recipient has prepared and adopted the Project Implementation Manual in form and substance acceptable to the Bank.
 - (b) The Recipient has approved and disclosed the LMP and the SEA/SH Action Plan in form and substance acceptable to the Bank.
 - (c) The Recipient has established a Project grievance mechanism in form and substance acceptable to the Bank.
- 5.02. As part of the evidence to be furnished pursuant to Section 5.01, there shall be furnished to the Bank an opinion satisfactory to the Bank from a counsel acceptable to the Bank, showing that this Agreement has been duly authorized or ratified by, and executed and delivered on behalf of the Recipient and is legally binding upon it in accordance with its terms.
- 5.03. Except as the Recipient and the Bank shall otherwise agree, this Agreement shall enter into effect on the date upon which the Bank dispatches to the Recipient notice of its acceptance of the evidence required pursuant to Section 5.01 ("Effective Date"). If, before the Effective Date, any event has occurred which would have entitled the Bank to suspend the right of the Recipient to make withdrawals from the Grant Account if this Agreement had been effective, the Bank may postpone the dispatch of the notice referred to in this Section until such event (or events) has (or have) ceased to exist.
- 5.04. *Termination for Failure to Become Effective.* This Agreement and all obligations of the parties under it shall terminate if it has not entered into effect by the date ninety (90) days after the date of this Agreement, unless the Bank, after

consideration of the reasons for the delay, establishes a later date for the purpose of this Section. The Bank shall promptly notify the Recipient of such later date.

Article VI
Recipient's Representative; Addresses

6.01. The Recipient's Representative referred to in Section 7.02 of the Standard Conditions is the chief operations officer.

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

(a) the Recipient's address is:

African Center for Economic Transformation
7 Yiyiwa Drive
Abelemkpe
Accra, Ghana; and

(b) the Recipient's Electronic Address is:

Email:

dnti@acetforafrica.org

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

(a) the Bank's address is:

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

(b) the Bank's Electronic Address is:

Telex:

Facsimile:

248423 (MCI) or
64145 (MCI)

(+1) 202-477-6391

AGREED as of the Signature Date.

**INTERNATIONAL BANK FOR RECONSTRUCTION AND
DEVELOPMENT/INTERNATIONAL DEVELOPMENT
ASSOCIATION**
acting as administrator of the Think Africa Partnership Multi-Donor
Trust Fund

By

Boutheina Guermazi

Authorized Representative

Name: Boutheina Guermazi

Title: Director, Regional Integration

Date: 26-May-2022

AFRICAN CENTER FOR ECONOMIC TRANSFORMATION

By

Danni Nti

Authorized Representative

Name: Danni Nti

Title: Chief Operating Officer

Date: 26-May-2022

SCHEDULE 1

Project Description

The objective of the Project is to strengthen the African Center for Economic Transformation's capability to inform economic transformation policy.

The Project consists of the following parts:

Part 1. Amplifying the Knowledge Base and Policy Design for Economic Transformation

Technical support to ACET's flagship programs and ongoing analysis, advocacy and partnership programs for economic transformation through: (a) analytical activities including the development of the Fourth African Transformation Report on gender and economic transformation; (b) advisory assistance to support national governments through peer learning and technical advice on economic transformation; and (c) advocacy activities focusing on galvanizing action through outreach, dissemination, and convening through modalities such as the African Transformation Forum and the Transformation Leadership Panel.

Part 2. Supporting Regional and Domestic Knowledge Capacity for COVID-19 Recovery and Resilience

2.1. Supporting ACET's role in implementing the G20 Compact with Africa

Supporting the implementation of the CwA programs through:

- (a) Carrying out peer reviews of CwA from 2022 to 2024 to be informed by key topics addressed by the G20 Africa Advisory Group and Compact Country needs.
- (b) Carrying out peer-to-peer learning activities for CwA countries on topics of interest including post COVID-19 recovery, SDR re-allocation, digital, green economy, and climate change.
- (c) Enhancing investment promotion through a range of activities to engage African finance ministers on the opportunities provided by CwA and facilitate networking between countries and the private sector.
- (d) Providing, in its role as a co-chair for Think 20 Infrastructure Taskforce, technical inputs at various summits to support the Think 20 Group and advocate for infrastructure priorities.

2.2. Think Africa Partnership COVID-19 Emergency Response and Recovery Program

Supporting African governments to make strong economic rebound from the COVID-19 pandemic through the development of CETO, which will focus on: (a) providing research, analysis and on-demand support to governments and institutions in designing and implementing national COVID-19 economic recovery strategies; and (b) creating partnership with think-tanks and government institutions.

2.3. Support to private sector development

Piloting and scaling-up a partnership approach to private sector development through:

- (a) Enhancing and formalizing, under the ACET Business Transform Program, the following services to early and growth state local content SMEs having the potential to integrate into the global value chains in extractives, agro-processing, light manufacturing and service industries: (i) analysis and advocacy, including research and compilation of actionable business development plans; and (ii) collaboration with private sectors partners for investment opportunity development utilizing the analysis and plans.
- (b) Providing technical assistance to inform the Ghana Free Zones Authority of the Free Zone Act and Regulations through policy advice and recommendations.
- (c) Supporting governments, upon request, to align their policies and regulations with the AfCFTA protocols to maximize potential gains while minimizing risks by: (i) assessing the costs and benefits of liberalization; and (ii) strengthening the capacity of local industry, especially SMEs, to integrate into the value chains of regional and global actors.

Part 3. Building the Bridge to Policy Impact through Fellowship Programs

Hosting and coordinating the administration of the CEoG Presidential Fellowship Program and the ACET Transformation Fellowship Program on COVID-19 Response by: (a) recruiting a program manager to oversee each fellowship program; (b) ensuring that fellows provide valuable inputs to policy design and research; and (c) with respect to the ACET Transformation Fellowship Program, gathering stakeholder perspectives to inform transformative policies and ensuring that fellows' work programs are aligned with the Country Economic Transformation Outlook.

Part 4. Administrative and Institutional Capacity Support

4.1. Institutional capacity strengthening

Strengthening ACET's institutional capacity in the fields of communications and marketing, procurement, technical capacity of staff, and development of expert networks through: (a) the provision of goods, including new hardware, software and tools for virtual communications and a vehicle; (b) the enhancement of its online platforms and presences; and (c) partnership building for policy dialogue.

4.2. Administrative and Implementation Support

Facilitating the management and coordination of Project implementation through: (a) technical assistance to strengthen ACET's operational capacity to perform core administrative functions; (b) recruitment of additional staff to carry out Project activities, including an environmental and social specialist; (c) acquisition of equipment; (d) provision of Operating Costs; and (e) carrying out of an annual audit as well as an independent performance review of the Project.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

The Recipient shall, throughout Project implementation, maintain the following institutional arrangements, as further described in the Project Implementation Manual.

1. The Recipient shall be responsible for the overall implementation of the Project, including financial management and procurement. To this end, the Recipient shall maintain, throughout Project implementation, an implementation unit with staff in adequate numbers under terms of reference acceptable to the Bank and with qualification and experience acceptable to the Bank (“Project Implementation Unit” or “PIU”) to be responsible for the day-to-day implementation of the Project including overall management, procurement, monitoring and evaluation, environmental and social aspects, and disbursement related to the Project.
2. Without limitation to paragraph (1) above, the Recipient shall, throughout Project implementation, maintain within the PIU: (a) a Project coordinator, with qualification and experience acceptable to the Bank, to provide overall technical and administrative leadership to the Project; (b) a senior program manager, with qualification and experience acceptable to the Bank, to coordinate the day-to-day operational procedures, oversee the Project implementation, undertake the progress reports and act as the key focal person for the Project; (c) a financial management specialist and a procurement specialist to oversee the fiduciary aspect of Project implementation; and (d) an environmental and social specialist.

B. Project Implementation Manual

1. The Recipient shall carry out the Project in accordance with the implementation manual (“Project Implementation Manual”).
2. The Recipient shall ensure that the Project Implementation Manual contain arrangements, procedures and mechanisms for: (a) institutional coordination and Project implementation; (b) the roles and responsibilities of all involved stakeholders; (c) Project budgeting, accounting, disbursement and financial management; (d) capacity building activities; (e) procurement; (f) environmental and social risks management; (g) monitoring, evaluation, reporting and communication; (h) Training; (i) eligibility criteria and selection process for the fellowship program; and (j) other such administrative, financial, technical and organizational arrangements and procedures as shall be required for purposes of implementing the Project.

3. The Recipient shall not assign, amend, or abrogate the Project Implementation Manual, or any provision thereof without the Bank's written approval.
4. In the event of any 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 and Budget

1. The Recipient shall, each year, prepare a draft annual work plan and budget for the Project (including Training and Operations Costs) for each subsequent year of the Project implementation, of such scope and detail as the Bank shall have reasonably requested.
2. The Recipient shall furnish to the Bank, not later than December 15 of each year, the annual work plan and budget for the Bank's review and approval; except for the annual work plan and budget for the Project for the first year of Project implementation, which shall be furnished no later than one (1) month after the Effective Date. Only the activities included in an annual work plan and budget expressly approved by the Bank (each an "Annual Work Plan and Budget") are eligible to be financed from the proceeds of the Grant.
3. Training shall be carried out on the basis of Annual Work Plan and Budget, which shall, *inter alia*, identify: (a) particulars of the training envisaged; (b) the personnel to be trained; (c) the selection methods and criteria of the institution or individuals conducting such training; (d) the institution conducting such training if identified; (e) the purpose and justification for such training; (f) the location and duration of the proposed training; and (g) the estimate of the cost of such training.
4. The Recipient shall ensure that the Project is carried out in accordance with the Annual Work Plan and Budget.
5. Annual Work Plan and Budget may be revised as needed during Project implementation subject to the Bank's prior written approval.

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, as 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 Bank 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 Recipient shall ensure that:
- (a) all measures necessary are taken 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 environmental and social 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) the Bank 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 Recipient 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 Bank.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

The Recipient shall ensure that each Project Report is furnished to the Bank no later than forty-five (45) days 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, consulting services, Operating Costs and Training under the Project	8,000,000	100%
TOTAL AMOUNT	8,000,000	

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 \$1,600,000 may be made for payments made prior to this date but on or after the date falling twelve (12) months prior to the Signature Date, for Eligible Expenditures under Category (1).
2. The Closing Date is November 30, 2024.

APPENDIX

Section I. Definitions

1. “ACET” or African Center for Economic Transformation” means a non-profit organization, International Non-Governmental Organization based in Accra, Ghana and registered as a Charity in the USA.
2. “ACET Business Transform Program” means a transformation program aimed at developing a number of carefully selected SMEs through, inter alia, mentorship, coaching, financial support and transactions advisory services.
3. “ACET Transformation Fellowship Program on COVID-19 Response” means a fellowship program whose mandate is to support the development of the in-depth Country Economic Transformation Outlooks under the auspices of the COVID-19 Recovery and Resilience Program.
4. “African Transformation Forum” means a face-to-face, virtual or hybrid event hosted by ACET that provides a platform for diverse stakeholders to discuss the ways countries can collaborate to remove barriers to economic transformation and address national priorities through regional solutions.
5. “AfCFTA” means the African Continental Free Trade Agreement.
6. “Annual Work Plan and Budget” means each annual plan referred to in Section I.C.2 of Schedule 2 to this Agreement.
7. “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.
8. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
9. “CEoG” means chief economists of government.
10. “CEoG Presidential Fellowship Program” means a fellowship program which places young PhD-level economists, citizens of Sub-Saharan Africa, in high-level government offices to work alongside chief economic advisors to advise African executive leaders.
11. “Compact Country” means any of the following countries: Republic of Benin, Burkina Faso, Republic of Cote d’Ivoire, Arab Republic of Egypt, Federal Democratic Republic of Ethiopia, Republic of Ghana, Republic of Guinea,

Kingdom of Morocco, Republic of Rwanda, Republic of Senegal, Togolese Republic and Republic of Tunisia.

12. “Country Economic Transformation Outlook” or “CETO” means a new analytical product to be initiated by ACET in 2022.
13. “COVID-19” means the coronavirus disease caused by the 2019 novel coronavirus (SARS-CoV-2).
14. “COVID-19 Recovery and Resilience Program” means a program which provides analytics and partnerships to support African governments in making a strong economic rebound from the COVID-19 pandemics.
15. “CwA” means Compact with Africa, a G20 initiative that promotes macroeconomic business and private financing reforms to attract more private investments in Africa, including infrastructure.
16. “Enabling Legislation” means the Bylaws as amended and restated on October 24, 2011 and adopted the same day by the Recipient’s Board of Directors.
17. “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated April 20, 2022, as the same may be amended from time to time in accordance with the provisions thereof, which sets out the material measures and actions that the Recipient shall carry out or cause to be carried out to address the potential environmental and social risks and impacts of the Project, including the timeframes of the actions and measures, institutional, staffing, training, monitoring and reporting arrangements, and any environmental and social instruments to be prepared thereunder.
18. “Environmental and Social Standards” or “ESSs” 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.

19. “Fourth African Transformation Report” means ACET’s fourth flagship research report which draws on ACET’s country, sector, and thematic studies to look systematically at transformation as a broad framework for economic growth and development.
20. “Free Zone Act and Regulations” means the Act enacted on August 31, 1995, establishing an Authority in Ghana known as the Free Zones Authority.
21. “G20” means the central forum for international cooperation on financial and economic questions, which comprises Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, Saudi Arabia, South Africa, South Korea, Turkey, United Kingdom, United States and the European Union.
22. “G20 Africa Advisory Group” means the governing body for the Compact with Africa, co-chaired by Germany and South Africa.
23. “G20 Country Platforms” means voluntary country-level mechanisms set out by governments and designed to foster collaboration among development partners.
24. “Ghana Free Zones Authority” means a government-controlled institution established on August 31, 1995, to facilitate the setting up of Free Zones in Ghana to improve the economic development and to regulate its related activities.
25. “Labor Management Procedures” or LMP means the labor management procedures referred to in the ESCP to be prepared and adopted by the Recipient, in form and substance satisfactory to the Bank, setting out the modalities for implementation of such labor management procedures in accordance with the requirements of the laws of the Recipient, and in compliance with the ESS2.
26. “Operating Costs” means incremental expenditures incurred on account of Project implementation, as approved by the Bank in writing, including salaries of the project related support staff; travel expenditures and other travel-related allowances; equipment rental and maintenance; vehicle operation (including fuel), maintenance and repair; office rental and maintenance, materials and supplies; and utilities, media information campaigns and communications expenses.
27. “Procurement Regulations” means, for purposes of paragraph 20 of the Appendix to the Standard Conditions, the “World Bank Procurement Regulations for IPF Borrowers”, dated November 2020.
28. “Project Implementation Unit” or “PIU” means the ACET Think Africa Partnership (TAP) implementation unit established within ACET for the carrying out of the Project as referred to in Section I.A.1 of Schedule 2 to this Agreement.

29. “Project Implementation Manual” means the manual to be adopted by the Recipient as described in Section I.B.1 of Schedule 2 to this Agreement.
30. “SDR” means Special Drawing Rights.
31. “Sexual Exploitation, Abuse/Sexual Harassment Action Plan” or “SEA/SH Action Plan” means a mitigation and response plan referred to in the ESCP to be prepared and adopted by the Recipient, in form and substance satisfactory to the Bank, setting out the modalities to manage the Project-related risks of sexual exploitation, abuse, and sexual harassment in accordance with the requirements of the laws of the Recipient, and in compliance with the ESS4.
32. “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.
33. “SME” means a small and medium enterprise.
34. “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, with the modifications set forth in Section II of this Appendix.
35. “Think 20 Group” means an engagement group established under the G20 that brings together leading think-tanks and research centers from around the world in an effort to support, through research and policy proposals, policy development and implementation.
36. “Think 20 Infrastructure Taskforce” means the task force within the Think 20 Group in charge of infrastructure.
37. “Training” means the costs associated with training and workshop participation of personnel involved in the implementation of the Project, including travel and subsistence costs for training and workshop participants, costs associated with securing the services of trainers and workshop speakers, rental of training and workshop facilities, preparation and reproduction of training and workshop materials, and other costs directly related to training courses and workshop preparation and implementation.
38. “Transformation Leadership Panel” means a body of leaders from Africa and around the world who influence, support and advise leaders on critical and necessary action to achieve transformative change in Africa by 2030.

Section II. Modifications to the Standard Conditions

The Standard Conditions are modified as follows:

1. Paragraph 18 of the Appendix (Definitions) is modified to read as follows:

“18. “Member Country” means a member of the World Bank in whose territory the Project is carried out or any of such member’s political or administrative subdivisions and refers separately to each such member.”

2. Section 3.07 is modified to read as follows:

“Section 3.07. *Financing Taxes*

(a) The Grant Agreement may specify that the proceeds of the Grant may not be withdrawn to pay for Taxes levied by, or in the territory of, a Member Country on or in respect of Eligible Expenditures, or on their importation, manufacture, procurement or supply. In such case, if the amount of any such Taxes decreases or increases, the World Bank may, by notice to the Recipient, adjust the percentage of such Eligible Expenditures to be financed out of the proceeds of the Grant specified in the Grant Agreement, as required to ensure consistency with such limitation on withdrawals.”

3. Section 4.02 is amended as follows:

- (i) Paragraph (a) is amended to read as follows:

“(a) *Interference*. If the Grant has been made to a Recipient which is not a Member Country, a Member Country has: (i) taken or permitted to be taken any action which would prevent or interfere with the execution of the Project or the performance by the Recipient of its obligations under the Grant Agreement; or (ii) failed to afford a reasonable opportunity for representatives of the Bank to visit any part of its territory for purposes related to the Grant or the Project.”

- (ii) Paragraphs (c) and (d) are amended to read as follows:

“(c) *Fraud and Corruption*. At any time, the Bank determines that any representative of the Recipient (or any Member Country, if the Recipient is not the Member Country, or any other recipient of any of the proceeds of the Grant) has engaged in corrupt, fraudulent, coercive or collusive practices in connection with the use of the proceeds of the Grant, without the Recipient (or any such Member Country or any other such recipient) having taken timely and appropriate action satisfactory to the Bank to address such practices when they occur.

(d) *Cross Suspension*. IBRD or IDA has suspended in whole or in part the right of the Recipient (or of any Member Country, if the Recipient is not the

Member Country) to make withdrawals under any agreement with IBRD or with IDA because of a failure by the Recipient (or by any such Member Country) to perform any of its obligations under such agreement or any other agreement with IBRD or IDA.”

(iii) Paragraph (h) is amended to read as follows:

“(h) *Membership.* A Member Country: (i) has been suspended from membership in or ceased to be a member of IBRD or of IDA; or (ii) has ceased to be a member of the International Monetary Fund.”

(iv) The first sentence of paragraph (i) is amended to read as follows:

“(i) *Condition of Recipient.* If the Grant has been made to a Recipient which is not a Member Country:”

(v) Paragraph (j) is amended to read as follows:

“(j) *Ineligibility.* IBRD or IDA has declared the Recipient (other than a Member Country) ineligible to receive proceeds of any financing made by IBRD or IDA or otherwise to participate in the preparation or implementation of any project financed in whole or in part by IBRD or IDA, as a result of: (i) a determination by IBRD or IDA that the Recipient has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of any financing made by IBRD or IDA; and/or (ii) a declaration by another financier that the Recipient is ineligible to receive proceeds of any financing made by such financier or otherwise to participate in the preparation or implementation of any project financed in whole or in part by such financier as a result of a determination by such financier that the Recipient has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of any financing made by such financier.”

4. Paragraph (c) of Section 4.03 is modified to read as follows:

“(c) *Fraud and Corruption.* At any time, the Bank determines, with respect to any amount of the proceeds of the Grant, that corrupt, fraudulent, collusive or coercive practices were engaged in by representatives of the Recipient (or any Member Country, if the Recipient is not a Member Country, or any other recipient of the proceeds of the Grant), without the Recipient (or any such Member Country or other recipient of the proceeds of the Grant) having taken timely and appropriate action satisfactory to the Bank to address such practices when they occur.”

5. Paragraph (a)(ii) of Section 4.05 is modified to read as follows:

“(ii) (A) engaging in corrupt, fraudulent, collusive or coercive practices in connection with the use of such amount, or (B) use of such amount to finance a contract during the procurement or execution of which such practices were engaged in by representatives of the Recipient (or any Member Country, if the Recipient is not a Member Country, or other recipient of such amount of the Grant), in either case without the Recipient (or any such Member Country, or other such recipient) having taken timely and appropriate action satisfactory to the Bank to address such practices when they occur.”

6. Paragraph (k) of Section 5.03 is modified to read as follows:

“(k) If, within thirty days after counterparts of the award have been delivered to the parties, the award has not been complied with, any party may: (i) enter judgment upon, or institute a proceeding to enforce, the award in any court of competent jurisdiction against any other party; (ii) enforce such judgment by execution; or (iii) pursue any other appropriate remedy against such other party for the enforcement of the award and the provisions of the Grant Agreement. Notwithstanding the foregoing, if the Recipient is the Member Country, this Section shall not authorize any entry of judgment or enforcement of the award against the Recipient except as such procedure may be available otherwise than by reason of the provisions of this Section.”