

CONFORMED COPY

CREDIT NUMBER 4940-BD

Financing Agreement

(Emergency Repatriation and Livelihood Restoration of Migrant Workers Project)

between

PEOPLE'S REPUBLIC OF BANGLADESH

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated May 30, 2011

CREDIT NUMBER 4940-BD

FINANCING AGREEMENT

AGREEMENT dated May 30, 2011, entered into between PEOPLE'S REPUBLIC OF BANGLADESH ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association"). The Recipient and the Association hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

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

ARTICLE II — FINANCING

- 2.01. The Association agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a credit in an amount equivalent to twenty five million three hundred thousand Special Drawing Rights (SDR 25,300,000) (variously, "Credit" and "Financing") to assist in financing the project described in Schedule 1 to this Agreement ("Project").
- 2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section IV of Schedule 2 to this Agreement.
- 2.03. The Maximum Commitment Charge Rate payable by the Recipient on the Unwithdrawn Financing Balance shall be one-half of one percent (1/2 of 1%) per annum.
- 2.04. The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.
- 2.05. The Payment Dates are February 15 and August 15 in each year.

- 2.06. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.
- 2.07. The Payment Currency is Dollars.

ARTICLE III — PROJECT

- 3.01. The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall carry out the Project through the Bureau of Manpower, Employment and Training of the Ministry of Expatriates' Welfare and Overseas Employment in accordance with the provisions of Article IV of the General Conditions.
- 3.02. Without limitation upon the provisions of Section 3.01 of this Agreement, and except as the Recipient and the Association 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 IV — EFFECTIVENESS; TERMINATION

- 4.01. The Additional Condition of Effectiveness consists of the following, namely that the IOM Contract has been executed on behalf of the Recipient and IOM.
- 4.02. The Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.
- 4.03. For purposes of Section 8.05(b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty (20) years after the date of this Agreement.

ARTICLE V — REPRESENTATIVE; ADDRESSES

- 5.01. The Recipient's Representative is the Secretary or the Additional Secretary, or any Joint Secretary, Joint Chief, Deputy Secretary, Deputy Chief, Senior Assistant Secretary, Senior Assistant Chief, Assistant Secretary, or Assistant Chief of the Economic Relations Division of the Ministry of Finance.

5.02. The Recipient's Address is:

Economic Relations Division
Ministry of Finance
Government of the People's Republic of Bangladesh
Sher-E-Bangla Nagar
Dhaka, Bangladesh

Facsimile:

88028113088

5.03. The Association's Address is:

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

Cable:

Telex:

Facsimile:

INDEVAS
Washington, D.C.

248423 (MCI)

1-202-477-6391

AGREED at Dhaka, People's Republic of Bangladesh, as of the day and year first above written.

PEOPLE'S REPUBLIC OF BANGLADESH

By: /s/ M Musharraf Hossain Bhuiyan

Authorized Representative

INTERNATIONAL DEVELOPMENT ASSOCIATION

By: /s/ Ellen Goldstein

Authorized Representative

SCHEDULE 1

Project Description

The objective of the Project is to support the Recipient in: (i) the timely repatriation of migrant workers, who have fled the ongoing conflict in Libya, from refugee camps in neighboring countries; and (ii) the provision of a one-time cash grant as a transitional safety net measure to help said workers meet immediate basic needs and commence the process of livelihood restoration.

The Project consists of the following parts:

Part 1. Repatriation

Provision of transportation services to eligible migrant workers to return to Dhaka.

Part 2. Transitional Assistance

Provision of Transitional Assistance Grants to eligible migrant workers, together with the establishment of a cash transfer system, and the design and implementation of a suitable public information campaign.

SCHEDULE 2**Project Execution****Section I. Implementation Arrangements****A. Institutional Arrangements**

The Recipient shall maintain the IOM Contract throughout the period of Project implementation, and shall not amend, suspend, abrogate, repeal or waive the IOM Contract, or any provision thereof, except with the prior written consent of the Association.

B. Transitional Assistance Guidelines

1. The Recipient shall:

- (a) by no later than May 15, 2011, cause the IOM to prepare transitional assistance guidelines, in consultation with BMET, satisfactory in substance to the Recipient and the Association, which shall set out, *inter alia*: (i) the eligibility criteria for nationals of the Recipient who have fled the ongoing conflict in Libya to receive Transitional Assistance Grants; (ii) the respective roles and responsibilities of the relevant agencies of the Recipient and those of the IOM under Part 2 of the Project; and (iii) the procedures pursuant to which disbursement of the Transitional Assistance Grants shall be carried out; and
- (b) ensure that the implementation of Part 2 of the Project shall take place in accordance with the Transitional Assistance Guidelines.

2. In the event of a conflict between the provisions of the Transitional Assistance Guidelines and those of this Agreement, the latter shall prevail.

C. Anti-Corruption

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

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

1. (a) The Recipient shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 4.08 of the General Conditions and on the basis of the indicators set forth below in sub-paragraph (b) of this paragraph. Each Project Report shall

cover the period of one (1) calendar semester, and shall be furnished to the Association not later than one (1) month after the end of the period covered by such report.

- (b) The performance indicators referred to above in sub-paragraph (a) consist of the following:
 - (i) number of repatriated migrant workers who have arrived safely in Dhaka; and
 - (ii) number of repatriated migrant workers who have received a cash grant under Part 2 of the Project.

B. Financial Management, Financial Reports and Audits

1. The Recipient shall maintain or cause to be maintained a financial management system in accordance with the provisions of Section 4.09 of the General Conditions.
2. Without limitation on the provisions of Part A of this Section, the Recipient shall prepare and furnish to the Association not later than thirty (30) days after the end of each calendar quarter, interim unaudited financial reports for the Project covering the quarter, in form and substance satisfactory to the Association.
3. The Recipient shall have its Financial Statements audited in accordance with the provisions of Section 4.09(b) of the General Conditions. Each audit of the Financial Statements shall cover the period of one (1) calendar semester. The audited Financial Statements for each such period shall be furnished to the Association not later than three (3) months after the end of such period.

Section III. Procurement

A. General

1. **Non-Consulting Services.** All non-consulting services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Section I of the Procurement Guidelines, and with the provisions of this Section.
2. **Definitions.** The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the Association of particular contracts, refer to the corresponding method described in the Procurement Guidelines.

B. Particular Method of Procurement of Non-Consulting Services

Non-consulting services under Parts 1 and 2 of the Project shall be procured under Direct Contracting arrangements with the IOM and in accordance with procedures agreed with the Association.

C. Review by the Association of Procurement Decisions

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

Section IV. Withdrawal of the Proceeds of the Financing**A. General**

1. The Recipient may withdraw the proceeds of the Financing in accordance with the provisions of Article II of the General Conditions, this Section, and such additional instructions as the Association shall specify by notice to the Recipient (including the "World Bank Disbursement Guidelines for Projects" dated May 2006, as revised from time to time by the Association 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 Financing ("Category"), the allocations of the amounts of the Financing to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

Category	Amount of the Financing Allocated (expressed in SDR)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Transportation Services	7,950,000	100%
(2) Transitional Assistance Grants	16,720,000	100%
(3) Unallocated	630,000	-
TOTAL AMOUNT	25,300,000	

B. Withdrawal Conditions; Withdrawal Period

1.
 - (a) Withdrawals up to an aggregate amount not to exceed SDR 7,950,000 may be made for payments made prior to the date of this Agreement, but on or after February 28, 2011, for Eligible Expenditures under Category (1).
 - (b) Withdrawals up to an aggregate amount not to exceed SDR 16,720,000 may be made for payments made prior to the date of this Agreement, but on or after April 18, 2011, for Eligible Expenditures under Category (2), provided however that no withdrawal shall be made under said Category until the Transitional Assistance Guidelines have been prepared and submitted to the Association, in form and substance satisfactory to Recipient and the Association.
2. The Closing Date is June 30, 2012.

SCHEDULE 3**Repayment Schedule**

Date Payment Due	Principal Amount of the Credit repayable (expressed as a percentage)*
On each February 15 and August 15:	
commencing August 15, 2021 to and including February 15, 2031	1%
commencing August 15, 2031 to and including February 15, 2051	2%

* The percentages represent the percentage of the principal amount of the Credit to be repaid, except as the Association may otherwise specify pursuant to Section 3.03(b) of the General Conditions.

APPENDIX**Definitions**

1. “Anti-Corruption Guidelines” means 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.
2. “Bureau of Manpower, Employment and Training” and the acronym “BMET” mean the bureau under the Recipient’s Ministry of Expatriates’ Welfare and Overseas Employment and responsible for, *inter alia*, the welfare of overseas Bangladeshi workers and their families.
3. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
4. “General Conditions” means the “International Development Association General Conditions for Credits and Grants”, dated July 31, 2010.
5. “IOM” means the International Organization for Migration.
6. “IOM Contract” means the contract to be entered into between the Recipient and IOM through which the latter on behalf of the former would implement activities under Parts 1 and 2 of the Project, as set out in Schedule 1 to this Agreement.
7. “Ministry of Expatriates’ Welfare and Overseas Employment” means the Recipient’s Ministry of Expatriates’ Welfare and Overseas Employment.
8. “Procurement Guidelines” means the “Guidelines: Procurement of Goods, Works and Non-consulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” published by the Bank in January 2011.
9. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated April 19, 2011 and referred to in paragraph 1.18 of the Procurement Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.
10. “Transitional Assistance Grant” means a one-time cash grant, made by the Recipient through IOM to an eligible migrant worker following the latter’s arrival in Dhaka, in an amount equivalent to seven hundred seventy five dollars (\$775), and for purposes of the table in Section IV.A of Schedule 2 to this Agreement, includes the costs associated with the public information campaign and administrative costs.

11. “Transitional Assistance Guidelines” means the guidelines referred to in Section I.B.1 of Schedule 2 to this Agreement.
12. “Transportation Services” means the cost of air transport to Dhaka, from the Arab Republic of Egypt and the Republic of Tunisia, of eligible migrant workers who are nationals of the Recipient and have fled the ongoing conflict in Libya, up to 10,000 returnees.