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ESPERE II -AFT GRANT NUMBER TF0C4130

# **The EU Support for the Palestinian Economy and Resilience II Trust Fund Grant Agreement**

**(Additional Financing for the Technology for Youth and Jobs Project)**

**between**

**PALESTINE LIBERATION ORGANIZATION  
(for the Benefit of the Palestinian Authority)**

**and**

**INTERNATIONAL DEVELOPMENT ASSOCIATION  
(acting as administrator of the EU Support for the Palestinian Economy and  
Resilience II Single Donor Trust Fund - ESPERE II)**

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**ESPERE II GRANT NUMBER TF0C4130**

**GRANT AGREEMENT**

AGREEMENT dated as of the Signature Date between the PALESTINE LIBERATION ORGANIZATION (for the benefit of the Palestinian Authority) (“Recipient”) and INTERNATIONAL DEVELOPMENT ASSOCIATION (“Bank”), acting as administrator of the EU Support for the Palestinian Economy and Resilience II (ESPERE II) Single-Donor Trust Fund, established on July 25, 2023 (“Trust Fund”).

(A) the Palestine Liberation Organization and the Government of the State of Israel have entered, on September 28, 1995, into an agreement which, among other things, sets out certain interim self-government arrangements in Gaza and the West Bank (“Interim Agreement”);

(B) Section 5(b) of Article IX of the Interim Agreement authorizes the Palestine Liberation Organization to conduct negotiations and, in certain cases described thereunder, sign agreements with states and international organizations for the benefit of the Palestinian Authority;

(C) the Recipient has requested the Bank to assist in financing the project described in Schedule 1 to this Grant Agreement (the “Project”);

(D) the Bank has agreed, on the basis, among other things, of the foregoing to extend the Grant to the Recipient, for the benefit of the Palestinian Authority, for the purpose of providing additional financing to the Original Project as described in Schedule 1 to the Agreement (“Project”) upon the terms and conditions set forth in this Agreement; and

(E) by grant agreements of later date (the PURSE Grant Agreement and the MENA-MDTF Grant Agreement), the Bank, acting as administrator of grants funds provided under those trust funds, has agreed to make Grants to the Recipient to assist in financing the Project on the terms and conditions set forth in the respective grant agreement (“Grant Agreements”).

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, through the Palestinian Authority, cause the Project to be carried out jointly by the Ministry of Telecommunications and Information Technology and the Project Implementation Agency (“PIA”) in accordance with the provisions of Article II of the Standard Conditions, Schedule 2 of this Agreement, and the agreement to be entered into between the Palestinian Authority and the PIA (“Implementation Agreement”).

## **Article III The Grant**

- 3.01. The Bank agrees to extend to the Recipient a grant in an amount not to exceed two million nine hundred twenty-one thousand nine hundred four Euros and seventy-six cents (€2,921,904.76) (“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 Effectiveness; Termination**

- 4.01. This Agreement shall not become effective until evidence satisfactory to the Bank has been furnished that the conditions specified below have been satisfied in a manner and in form and substance satisfactory to the Bank:
- (a) the execution and delivery of this Agreement on behalf of the Recipient has been duly authorized or ratified by all necessary governmental and corporate action;

- (b) the Subsidiary Agreement referred to in Section I.A of Schedule 2 to this Agreement has been executed on behalf of the Recipient and the Palestinian Authority; and
  - (c) the Implementation Agreement, acceptable to the World Bank, has been updated and thereafter executed on behalf of the Palestinian Authority and the PIA.
- 4.02. By signing each of: (a) this Agreement; and (b) the Subsidiary Agreement (for purposes of this Section, each a “Warranted Agreement”), the Recipient shall be deemed to represent and warrant that on the Signature Date, or on the date agreed by the parties thereto to be the date of the Subsidiary Agreement, the respective Warranted Agreement, has been duly authorized by, and executed and delivered on behalf of, the Recipient and is legally binding upon the Recipient in accordance with its terms.
- 4.03. 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.
- 4.04. 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 V**  
**Recipient's Representative; Addresses**

5.01. The Recipient's Representative referred to in Section 7.02 of the Standard Conditions is its Ministry of Finance.

5.02. For purposes of Section 7.01 of the Standard Conditions: (a) the Recipient's address is:

Ministry of Finance of the Palestinian Authority  
Ramallah  
West Bank

Telephone:

Facsimile:

970-2-297 8846

970-2-297-8845

5.03. 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:

Telex:

Facsimile:

248423 (MCI) or  
64145 (MCI)

1-202-477-6391

AGREED as of the Signature Date.

**PALESTINIAN LIBERATION ORGANIZATION**  
(for the benefit of the Palestinian Authority)

By

*Honorable Omar A. Bitar*

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**Authorized Representative**

**Name:** Honorable Omar A. Bitar

**Title:** Minister of Finance

**Date:** 03-Jul-2024

**INTERNATIONAL DEVELOPMENT  
ASSOCIATION**

*(acting as administrator of the EU Support for the Palestinian  
Economy and Resilience II (ESPERE II) Single-Donor Trust  
Fund)*

By

*Stefan Emblad*

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**Authorized Representative**

**Name:** Stefan Emblad

**Title:** Country Director

**Date:** 06-Jun-2024

## SCHEDULE 1

### Project Description

The objective of the Project is to increase economic opportunities for IT service firms in the West Bank and Gaza.

The Project consists of the following parts:

#### **Part 1: Improving IT Service Capabilities**

***1.1 Human Capital Improvement Stipends:*** (a) Upgrading skills of the Palestinian IT service workforce through provision of Stipends for: (i) part time internships for current students (ii) full time train-to-hire training for recent university graduates, other graduates with diplomas and certificates in the IT fields; (iii) on-the-job training for recently hired IT professionals; and (iv) international workers, including the Palestinian diaspora, with relevant technical and managerial skills to cover additional costs of hiring international workers or Palestinian diaspora to be employed in senior and/or leadership roles in West Bank and Gaza; and (b) Maximize the impact and the absorptive capacity of the Stipends by providing technical assistance to IT services firms

***1.2 Advisory Services on Managerial Capabilities:*** Designing and providing a program of technical assistance activities to eligible Palestinian IT service firms to improve: (a) their managerial and organizational capabilities; (b) implementation of business resiliency measures and business relaunch measures to respond to COVID-19 crisis; and (c) strategy and leadership skills, including outreach and awareness raising for the program.

***1.3 IT and Gender Needs Assessment and Engagement:*** Conducting of assessment of gender issues in Palestinian IT services sector, identifying policy reforms to promote women's participation in IT sector, developing and piloting proposed interventions, and conduct impact assessment of the pilots.

#### ***1.4 COVID-19 Employment Support Subsidies***

Provision of employment subsidies to staff of eligible Palestinian IT service firms receiving support under Part 1.1(d) and 1.2(b) of the Project whose employment has been negatively affected by COVID-19 crisis.

#### **Part 2: Improving the IT Services Ecosystem**

***2.1 Seed grants to stimulate private investments in the IT service ecosystem:*** (a) Providing Matching Grants to strengthen competitiveness of the Palestinian IT sector through financing start-up costs for establishment in West Bank and Gaza of: (i) new business operations in the IT sector; (ii) re-establishing business operations in the IT sector by firms adversely impacted by COVID-19; (iii) commercial IT training providers; and (iv)

commercial human resources IT service providers; and (b) provision of technical assistance for IT service firms to maximize the absorptive capacity of the Grants.

**2.2 Grants for shared R&D hubs:** (a) Providing Matching Grants to support establishment of R&D hubs for exploration of particular targeted technologies relevant to Palestinian IT firms through financing of office and technology equipment, high-speed internet connections, software and software licenses, Operating Costs, and salaries of employees of the R&D hubs; and (b) Maximize the impact and the absorptive capacity of the Grants by providing technical assistance for the establishment of R&D hubs.

**2.3 Grants for IT business infrastructure:** (a) Providing Matching Grants to eligible Palestinian IT service firms to finance business infrastructure, including, *inter alia*, office furniture, high-speed internet connections, technology to facilitate remote work, computer and technology equipment, and Operating Costs; and (b) Maximize the impact and the absorptive capacity of the Grants by providing technical assistance to IT services firms.

### **Part 3: Improving Market Access and Increasing Demand and Investments**

**3.1 Awareness raising and international market linkages:** Engaging international intermediaries to provide awareness raising and matchmaking services for Palestinian IT sector abroad and broker business deals, in order to: (a) increase international awareness of outsourcing opportunities in the West Bank and Gaza; (b) locate global customers for Palestinian IT firms adversely affected by COVID-19; and (c) facilitate deals in the Palestinian IT outsourcing sector.

**3.2 Promotion and facilitation of FDI in the Palestinian IT ecosystem:** Providing technical assistance and consulting services to: (a) improve delivery of investor services; (b) increase investor outreach campaigns; (c) generate new investment leads; and (d) assist foreign investors with establishing business presence in West Bank and Gaza.

### **Part 4: Project Management and Implementation Support**

Strengthening the capacity of both PIA and MTIT, through the provision of management and implementation support to the PIA and MTIT in managing and overseeing project activities, including: (a) staffing capacity and expertise to lend technical and implementation support; (b) data collection, aggregation and periodic reporting on the project's implementation progress; (c) monitoring of key performance indicators; and (d) overall Project Operating Costs, audit costs and monitoring and compliance with ESCP.

## **SCHEDULE 2**

### **Project Execution**

#### **Section I. Institutional and Other Arrangements**

##### **A. Subsidiary Agreement**

1. To facilitate the carrying out of the Project, the Recipient shall make the proceeds of the Grant available to the Palestinian Authority under a subsidiary agreement (“*Subsidiary Agreement*”) between the Recipient and the Palestinian Authority, under terms and conditions approved by Bank
2. The Palestinian Authority shall: (a) perform in accordance with the provisions of the Subsidiary Agreement all of the obligations of the Palestinian Authority set forth in the Subsidiary Agreement; (b) take all action, including the provision of funds, facilities, services and other resources, necessary or appropriate for the carrying out of the Project; and (c) not take or permit to be taken any action which would prevent or negatively interfere with the carrying out of the Project.
3. The Recipient shall exercise its rights under the Subsidiary Agreement in such manner as to protect the interests of the Recipient, the Palestinian Authority and the Bank and to accomplish the purposes of the Grant. Except as the Bank shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive the Subsidiary Agreement or any of its provisions.

##### **B. Institutional Arrangements**

1. The Recipient, through the Palestinian Authority, shall cause the MTIT to maintain overall responsibility for the Project.
2. The Recipient, through MTIT, shall maintain throughout the life of the Project, a Steering Committee to provide strategic guidance to the PIA on implementation of the Project. The Steering Committee shall include representatives, *inter alia*, of the Prime Minister’s Office, MTIT, Ministry of Finance and other relevant ministries and agencies.
3. The Recipient shall, through the Palestinian Authority, cause the MTIT to maintain a PIA Evaluation Committee, with mandate and composition acceptable to the World Bank, responsible for evaluating the financial and technical proposal of the PIA, and providing recommendations to MTIT on the terms of hiring of the PIA.
4. The Recipient, through MTIT, shall cause the PIA to maintain throughout the life of the Project a technical Advisory Committee to guide technical design and implementation of the Project. The Advisory Committee shall include

representatives of MTIT and representatives, *inter alia*, of international buyers and investors, and shall meet on a regular basis.

**C. Implementation Agreement**

1. For the purpose of implementing the Project, the Recipient, through the Palestinian Authority, shall cause the MTIT to continue implementing the Project through the Implementation Agreement with the PIA, with capacity, functions, staffing and resources satisfactory to the World Bank, including, *inter alia*, specialists in procurement, financial management, and monitoring and evaluation, and an environmental and social officer. The PIA shall continue to be responsible for the day-to-day administration of overall planning, coordination, technical, fiduciary (i.e. procurement and financial management), monitoring, evaluation, reporting and communication of the activities under the Project, all in accordance with the provisions of this Agreement, the Implementation Agreement and the Project Operations Manual (“POM”). The *Implementation Agreement* shall include terms and conditions approved by the Bank for the Original Project.
2. The Recipient shall, through the Palestinian Authority, cause the MTIT to continue exercising its rights under the Implementation Agreement in such manner as to protect the interests of the Palestinian Authority and the World Bank and to accomplish the purposes of the Grant. Except as the World Bank shall otherwise agree, the Recipient shall through the Palestinian Authority, cause the MTIT not to assign, amend, abrogate or waive the Implementation Agreement or any of its provisions.

**D. Project Operations Manual**

1. The Recipient shall, through the Palestinian Authority, cause MTIT to ensure that PIA continues carrying out the Project in accordance with the POM, satisfactory to the Bank, which shall include the rules, methods, guidelines, standard documents and procedures for the carrying out of the Project approved by the Bank for the Original Project.
2. In the event that any provision of the POM conflicts with this Agreement, the terms of this Agreement shall prevail.
3. The Recipient, through Palestinian Authority, shall cause MTIT to ensure that the POM is not amended without the prior written agreement of the Bank.

**E. Stipend Programs under Part 1.1(a) of the Project**

1. For purposes of carrying out Part 1.1 of the Project, the Recipient through the Palestinian Authority, shall cause MTIT to direct the PIA to pay stipends to Eligible Stipend Recipients, using the procedures and a transfer and verification

mechanisms approved by the Bank for the Original Project and further detailed in the POM and the Stipend Agreement.

2. The Recipient, through the Palestinian Authority, shall cause MTIT to direct the PIA to:
  - (a) Maintain the Grant Committee to assess and select, based on the competitive process set forth in the POM, applications from IT firms eligible to participate in the stipend program.
  - (b) Conduct a competitive selection process, to select based on recommendations of the Grant Committee, Eligible IT Firms based on the eligibility criteria, including, *inter alia*:
    - (i) registration or incorporation of the IT firm in West Bank and Gaza;
    - (ii) in cases of: (A) on-the-job training; (B) full-time internship; (C) employment of international workers, including the Palestinian diaspora; (D) enrollment into online training and/or certification programs, all being supported by a stipend, evidence of an employment contract being signed between the Eligible IT Firm and the Eligible Stipend Recipient;
    - (iii) in cases of enrollment into online training and/or certification programs, impact of COVID-19 on the operations;
    - (iv) existence of a commercially sound business plan;
    - (v) existence of a proposed written work plan for the Eligible Stipend Recipient; and
    - (vi) Eligible IT Firm passes the due diligence assessment undertaken by the PIA, satisfactory to the Bank.
  - (c) Ensure that the stipend does not exceed levels of subsidy and duration specified in the Stipend Agreement.
  - (d) Pay the stipend directly to the Eligible Stipend Recipient, in accordance with the provisions and procedures set forth in the POM.
  - (e) Enter into a *Stipend Agreement* with each Eligible IT Firm on terms and conditions approved by the Bank, which shall be consistent with the requirements of the ESCP, and which shall include the following, *inter alia*:

- (i) the stipend is paid on behalf of the Eligible IT Firm directly to the Eligible Stipend Recipient as a grant, in accordance with the schedule of payments set forth in the Stipend Agreement;
- (ii) Eligible Stipend Recipient passes the due diligence assessment undertaken by the PIA, satisfactory to the Bank;
- (iii) levels of subsidy and duration of the stipend shall be consistent with the procedures set forth in the POM;
- (iv) no stipend for the part-time internship shall be paid beyond the 24 months period;
- (v) no stipend for the full-time internships shall be paid beyond the 6 months period;
- (vi) no stipend for the on-the-job training shall be paid beyond the 12 months period;
- (vii) no stipend for international workers including the Palestinian diaspora shall be paid beyond the 24 months period;
- (viii) no stipend shall be paid to an Eligible Stipend Recipient who does not pass the due diligence assessment undertaken by the PIA; and
- (ix) Eligible IT Firm shall:
  - (A) keep records of Eligible Stipend Recipient's attendance and work performance;
  - (B) (1) carry out its respective activities with due diligence and efficiency and in accordance with sound technical, financial and managerial standards and practices, including in accordance with the provisions of the Anti-Corruption Guidelines; (2) provide, promptly as needed the resources required for these purposes; and (3) maintain adequate records to enable it to monitor and evaluate, in accordance with indicators acceptable to the Bank, the progress of its activities and the achievement of its objectives;
  - (C) promptly inform the PIA of any condition which interferes or threatens to interfere with the fulfilment of work obligations by the Eligible Stipend Recipient and the achievement of the objective of the Project,

including, *inter alia*, Eligible Stipend Recipient's non-attendance or failure to perform.

(D) permit the PIA and the Bank to inspect its operations, and any relevant records and documents; and

(E) prepare and furnish to the PIA and the Bank, all such information as the Bank shall reasonably request, relating to the implementation of the activities, and the performance of its obligations under the Stipend Agreement; and

(x) the PIA may obtain a refund from the Eligible IT Firm of all, or any part of the stipend payment already made to the Eligible Stipend Recipient, upon failure by the Eligible IT Firm to perform its obligations under the Stipend Agreement.

3. The PIA shall exercise its rights under each Stipend Agreement in such manner as to protect the interests of the Recipient and the Bank and to accomplish the purposes of the Grant.

4. Except as the Bank shall otherwise agree, the PIA shall not assign, amend, abrogate or waive any Stipend Agreement or any of its provisions.

**F. Provision of Employment Subsidies under Part 1.4 of the Project**

1. For purposes of carrying out Part 1.4 of the Project, the Recipient, through the Palestinian Authority, shall cause MTIT to direct the PIA to pay employment subsidies to Eligible Subsidy Recipients, using procedures and a transfer and verification mechanism approved by the Bank for the Original Project and further detailed in the POM and the Employment Subsidy Agreement.

2. The Recipient through the Palestinian Authority, shall cause MTIT to direct the PIA to:

(a) conduct a competitive selection process, in accordance with the POM, to select, based on recommendations of the Grant Committee, Eligible IT Firms based on the eligibility criteria, including, *inter alia*:

(i) registration or incorporation of the IT firm in West Bank and Gaza;

(ii) impact of COVID-19 on the operations;

- (iii) Eligible IT Firm is receiving support under Part 1.1(d) and 1.2(b) of the Project;
  - (iv) existence of a commercially sound business plan; and
  - (v) Eligible IT Firm passes the due diligence assessment undertaken by the PIA, satisfactory to the Bank.
- (b) ensure that the employment subsidy does not exceed levels of subsidy and duration specified in the Employment Subsidy Agreement;
- (c) pay the employment subsidy directly to the Eligible Subsidy Recipient, in accordance with the provisions and procedures set forth in the POM;
- (d) enter into an Employment Subsidy Agreement with each Eligible IT Firm on terms and conditions approved by the Bank, which shall be consistent with the requirements of the ESCP, and which shall include the following:
- (i) the subsidy is paid on behalf of the Eligible IT Firm directly to the Eligible Subsidy Recipient as a grant, in accordance with the schedule of payments set forth in the Employment Subsidy Agreement;
  - (ii) Eligible Subsidy Recipient passes the due diligence assessment undertaken by the PIA, satisfactory to the Bank;
  - (iii) levels of subsidy and duration of the employment subsidy shall be consistent with the procedures set forth in the POM;
  - (iv) no employment subsidy shall be paid to an Eligible Subsidy Recipient who does not pass the due diligence assessment undertaken by the PIA; and
  - (v) Eligible IT Firm shall:
    - (A) (1) carry out its respective activities with due diligence and efficiency and in accordance with sound technical, financial and managerial standards and practices, including in accordance with the provisions of the Anti-Corruption Guidelines; (2) provide, promptly as needed the resources required for these purposes; and (3) maintain adequate records to enable it to monitor and evaluate, in accordance with indicators acceptable to the

Bank, the progress of its activities and the achievement of its objectives;

(B) permit the PIA and the Bank to inspect its operations, including payments made to Eligible Subsidy Recipients, and any relevant records and documents; and

(C) prepare and furnish to the PIA and the Bank, all such information as the Bank shall reasonably request, relating to the implementation of the activities, and the performance of its obligations under the Employment Subsidy Agreement; and

(vi) the PIA may obtain a refund from the Eligible IT Firm of all or any part of the employment subsidy payment already made to the Eligible Subsidy Recipient, upon failure by the Eligible IT Firm to perform its obligations under the Employment Subsidy Agreement.

3. The PIA shall exercise its rights under each Employment Subsidy Agreement in such manner as to protect the interests of the Recipient and the Bank and to accomplish the purposes of the Grant.

4. Except as the Bank shall otherwise agree, the PIA shall not assign, amend, abrogate or waive any Employment Subsidy Agreement or any of its provisions.

**G. Provision of Matching Grants under Part 2 of the Project**

1. The Recipient, through the Palestinian Authority, shall cause MTIT to direct the PIA to provide Matching Grants to Benefiting Entities in accordance with terms and conditions, eligibility criteria and procedures set forth in the POM for the specific type of a Matching Grant for which the Benefiting Entity is applying, including the requirement for the PIA to:

(a) conduct a competitive selection process, in accordance with the POM, and, based on recommendations of the Grant Committee, select eligible Benefiting Entities, based on eligibility criteria including, *inter alia*: (i) existence of a commercially sound business plan specific to the type of Matching Grant for which the Benefiting Entity is applying; (ii) requirement for the Benefiting Entity to: (A) be a legal entity established under the laws of West Bank and Gaza; and (B) pass due diligence assessment undertaken by the PIA; and (iii) as relevant, impact of COVID-19 crisis on the business operations;

- (b) ensure that each Matching Grant does not exceed the ceiling amount specified in the POM, and that the Benefitting Entity provide the necessary level of contribution, at the level specified in the POM;
  - (c) ensure that each Matching Grant supports activities deemed to be eligible under the POM and does not finance an Excluded Expenditure. No works shall be financed through the Matching Grants; and
  - (d) ensure that no Benefitting Entity receives a Matching Grant without first passing the due diligence assessment undertaken by the PIA.
2. Prior to the PIA providing a Matching Grant under Part 2 of the Project to a Benefitting Entity, the Recipient shall cause the PIA to enter into a *Sub-Grant Agreement* with each Benefitting Entity under terms and conditions approved by the Bank, which shall be consistent with the requirements of the ESCP, and which shall include, *inter alia*, the following:
- (a) except for as provided under sub-section 2(j) below, the Benefitting Entity shall not be required to repay the Matching Grant to the PIA;
  - (b) specific result milestones against which the relevant Matching Grant is to be paid and means of verification of the achievement of said milestones;
  - (c) the maximum amount of the Matching Grant payable against the result milestones specified in the Sub-Grant Agreement, the conditions of payments and the methodology for determining the amount of payments to be made during the payment period;
  - (d) the Benefitting Entity shall undertake to: (i) carry out its respective activities with due diligence and efficiency and in accordance with sound technical, financial and managerial standards and practices, including in accordance with the provisions of the Anti-Corruption Guidelines; (ii) provide, promptly as needed the resources required for these purposes; and (iii) maintain adequate records;
  - (e) the Benefitting Entity shall ensure that the goods and/or services to be financed out of the proceeds of the Grant shall be procured in accordance with the provisions of Section III of this Schedule 2 and used exclusively in carrying out the activities to be financed by the Grant;
  - (f) the Benefitting Entity shall maintain policies and procedures adequate to enable it to monitor and evaluate, in accordance with indicators acceptable to the Bank, the progress of its activities and the achievement of its objectives;

- (g) the PIA shall have the right to inspect by itself, or jointly with the Bank and the Recipient, if the Bank and/or the Recipient so requests, the goods, sites, and plants included in the activities, the operations thereof, and any relevant records and documents;
  - (h) the Benefitting Entity shall maintain an appropriate financial management system and prepare simplified financial statements acceptable to the Bank, both in a manner adequate to reflect its operations, resources and expenditures and, upon request, shall make such statements available to the PIA and the Bank;
  - (i) the Benefitting Entity shall prepare and furnish to the PIA and the Bank, all such information as the Bank shall reasonably request, relating to the implementation of the activities, and the performance of its obligations under the Sub-Grant Agreement;
  - (j) the PIA may suspend or terminate the right of the Benefitting Entity to use or administer the proceeds of the Grant, or to obtain a refund of all or any part of the amount of the Matching Grant then withdrawn, upon failure by the Benefitting Entity to perform its obligations under the Sub-Grant Agreement; and
  - (k) the Benefitting Entity shall promptly inform the PIA and the Bank of any condition which interferes or threatens to interfere with the progress of its activities, or the performance by it of its obligations under the Sub-Grant Agreement.
3. The Recipient, through the Palestinian Authority, shall cause MTIT to cause the PIA to:
- (a) carry out its obligations and exercise its rights under each Sub-Grant Agreement, in such a manner as to protect the interests of the Recipient and the Bank and to accomplish the purposes of the Matching Grant;
  - (b) administer the Matching Grants in accordance with the POM, in form and substance satisfactory to the Bank, consisting of different schedules, setting forth rules, methods, guidelines, standard documents and procedures for the carrying out of Part 2 of the Project; and
  - (c) not to assign, amend, abrogate or waive the POM or any provision thereof.

#### **H. Excluded Expenditures**

The Recipient, through the Palestinian Authority, shall cause the MTIT to undertake that the proceeds of the Matching Grants shall not be used to finance Excluded

Expenditures. If the Bank determines at any time that an amount of the Grant was used to make a payment for an Excluded Expenditure, the Recipient shall, promptly upon notice from the Bank, cause the Palestinian Authority to refund an amount equal to the amount of such payment to the Bank. Amounts refunded to the Bank upon such request shall be cancelled.

**I. Annual Work Plans and Budgets**

1. Not later than November 15 in each calendar year, the Recipient, through the Palestinian Authority, shall cause MTIT to direct the PIA to submit to the World Bank an annual work plan and budget for the Project (including Training and Operating Costs) for the subsequent calendar year of the Project.
2. The Recipient, through the Palestinian Authority, shall cause MTIT to direct the PIA to afford the Bank a reasonable opportunity to review such draft annual work plan and budget, and thereafter shall cause the PIA to carry out such annual work plan and budget during such subsequent calendar year as shall have been approved by the Bank (“Annual Work Plan and Budget”). Only those activities that are included in an Annual Work Plan and Budget shall be eligible for financing out of the proceeds of the Grant.
3. The PIA may revise the Annual Work Plans and Budgets as needed during Project implementation subject to MTIT’s and the Bank’s prior written approval.

**J. Environmental and Social Standards**

1. The Recipient, through the Palestinian Authority, shall, and shall cause PIA to 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, through the Palestinian Authority, and shall cause PIA to 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, and shall cause PIA to 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 (from the Recipient, the Project and non-government beneficiaries’ sources), 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, through the Palestinian Authority, shall, and shall cause PIA to:
  - (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, including without limitation any potential Project-related occupational health and safety accidents and incidents or Project-related allegations of GBV or Project-related child labor, in accordance with the ESCP, the instruments referenced therein and the Environmental and Social Standards.
- 4. The Recipient shall and shall cause PIA to 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. Documents; Records**

In addition, and without limitation to the obligations set forth in Section 2.05 of the Standard Conditions, the Recipient shall ensure that:

- (a) all records evidencing expenditures under the Project are retained for five years and six months after the Closing Date, such records to include: (i) this Agreement,

all addenda thereof, and any amendments thereto; (ii) the Recipient's financial and narrative progress reports submitted to the Bank; (iii) the Recipient's financial information related to the Grant, including audit reports, invoices and payroll records; (iv) the Recipient's implementation documentation (including sub-agreements, procurement files, contracts, purchase orders); and (v) the corresponding supporting evidence referred to in Section 3.04 of the Standard Conditions; and

(b) the representatives of the Bank are: (i) able to examine all records referred to above in paragraph (a); (ii) provided all such information concerning such records as they may from time to time reasonably request; and (iii) able to disclose such records and information to the Donor(s).

**B. Project Reports**

The Recipient, through Palestinian Authority, shall cause MTIT to ensure that PIA furnishes each Project Report to the Bank and MTIT not later than 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; (b) Disbursement and Financial Information Letter; and (c) 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:

<b>Category</b>	<b>Amount of the Grant Allocated (expressed in EUR)</b>	<b>Percentage of Expenditures to be Financed (inclusive of Taxes)</b>
(1) Goods, non-consulting services, consulting services, Training, Operating Costs and Management Fee under Parts 1.2, 1.3, 3 and 4 of the Project	973,967.76	100%

(2) Stipends under Part 1.1(a) of the Project; Employment Subsidies under Part 1.4 of the Project; Matching Grants under Part 2.1(a) 2.2(a) and 2.3(a) of the Project and Goods, Non-consulting Services, Consulting Services and Operating Costs under Parts 1.1(b), 2.1(b), 2.2(b) and 2.3(b) of the Project	1,947,937	100%
<b>TOTAL AMOUNT</b>	<b>2,921,904.76</b>	

**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 is June 30, 2028.

## **APPENDIX**

### **Section I. Definitions**

1. “Advisory Committee” means the committee referred to in Section I.B.4 of Schedule 2 to this Agreement.
2. “Annual Work Plan and Budget” means the annual work plan and budget as prepared by the Recipient for and approved by the Bank in accordance with the provisions of Section I.I of Schedule 2 to this Agreement.
3. “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.
4. “Benefitting Entity” means either an IT company or organization, organized or incorporated in West Bank and Gaza, that has met the eligibility and selection criteria set out in Section I.G.1 of Schedule 2 to this Agreement and the specific criteria set forth in the POM, and as a result has entered into a Sub-Grant Agreement under Section I.G.2 of Schedule 2 to this Agreement.
5. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
6. “COVID-19” means the coronavirus disease caused by the 2019 novel coronavirus (SARS-CoV-2).
7. “Eligible IT Firms” means a Palestinian IT firm (a) meeting eligibility criterion contained in Section I.E.2(b) of Schedule 2 of this Agreement and the POM participating in the stipend program under Part 1.1 of this Agreement; or (b) meeting eligibility criteria contained in Section I.F.2(a) of Schedule 2 of this Agreement and the POM participating in the employment subsidy program under Part 1.4 of this Agreement.
8. “Eligible Stipend Recipient” means an eligible student, recent graduate, recently hired worker, international worker, including the Palestinian diaspora, as the case may be, who is eligible to receive one of the stipends under Part 1.1 of the Project, selected in accordance with the selection and eligibility criteria set forth in the POM and Section I.E of Schedule 2 to this Agreement.
9. “Eligible Subsidy Recipient” means an eligible worker who is eligible to receive one of the employment subsidies under Part 1.2 of the Project, selected in

accordance with the selection and eligibility criteria set forth in the POM and Section I.F.2(a) of Schedule 2 to this Agreement.

10. “Employment Subsidy” means provision of funds, on a grant basis, to Eligible Subsidy Recipient, on the terms and conditions provided for in the POM, the Employment Subsidy Agreement, and under Section I.F of Schedule 2 of this Agreement.
11. “Employment Subsidy Agreement” means an agreement entered between the PIA and Eligible IT Firms in accordance with provisions in Section I.F.1 of Schedule 2 of this Agreement.
12. “Environmental and Social Commitment Plan” or “ESCP” means the Recipient’s environmental and social commitment plan, acceptable to the Bank, dated May 7, 2020 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 Association, and such term includes any annexes or schedules to such plan.
13. “Excluded Expenditure” means any expenditure:
  - (a) for goods or services supplied under a contract which any national or international financing institution or agency other than the Bank has financed or agreed to finance, or which the Bank has financed or agreed to finance under another trust fund credit, or trust fund grant;
  - (b) for goods included in the following groups or sub-groups of the Standard International Trade Classification, Revision 3 (SITC, Rev.3), published by the United Nations in Statistical Papers, Series M, No. 34/Rev.3 (1986) (the SITC), or any successor groups or subgroups under future revisions to the SITC, as designated by the Bank by notice to the Recipient:

<b>Group</b>	<b>Sub-group</b>	<b>Description of Item</b>
112		Alcoholic beverages
121		Tobacco, un-manufactured, tobacco refuse
122		Tobacco, manufactured (whether or not containing tobacco substitutes)
525		Radioactive and associated materials
667		Pearls, precious and semiprecious stones, unworked or worked
718	718.7	Nuclear reactors, and parts thereof; fuel elements (cartridges), non-irradiated, for nuclear reactors
728	728.43	Tobacco processing machinery
897	897.3	Jewelry of gold, silver or platinum group metals (except watches and watch cases) and goldsmiths' or silversmiths' wares (including set gems)
971		Gold, non-monetary (excluding gold ores and concentrates)

- (c) for goods intended for a military or paramilitary purpose or for luxury consumption;
- (d) for environmentally hazardous goods, the manufacture, use or import of which is prohibited under the laws in effect in the parts of the West Bank and Gaza under the jurisdiction of the Palestinian Authority or

international agreements to which the Recipient or the Palestinian Authority is a party;

- (e) in the territories (other than the parts of the West Bank and Gaza under the jurisdiction of the Palestinian Authority) of any country which is not a member of the Bank or for goods procured in, or services supplied from, such territories;
- (f) on account of any payment prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations; and
- (g) with respect to which the Bank determines that corrupt, fraudulent, collusive or coercive practices were engaged in by representatives of the Recipient or the Palestinian Authority or of a beneficiary of a Grant without the Recipient having taken timely and appropriate action satisfactory to the Bank to address such practices when they occur.

- 14. “Grant Agreements” mean collectively, the MENA-MDTF Grant Agreement, the PURSE Grant Agreement and the ESPERE ATF Grant Agreement.
- 15. “Grant Committee” means the committee created under the Original Project, consisting of representatives of PIA and independent technical experts formed to assess applications from (a) Benefitting Entities for Matching Grants under Part 2 of the Project; (b) IT firms to participate in the stipend program under Part 1.1 of the Project; and (c) IT firms to participate in the employment subsidy program under Part 1.4 of the Project.
- 16. “GRM” means the Grievance Redress Mechanism referred to in Section I.J.4 of Schedule 2 to this Agreement.
- 17. “IT” means information technology.
- 18. “Management Fee” means a fee for the administration expenses incurred by the PIA in relation to the Project, as determined and defined in the detailed budget setting out an analysis of, and calculation for, the Management Fee, acceptable to the Bank, as such budget may be updated from time to time by agreement between the PIA and the Bank.
- 19. “Matching Grant” means a grant to be made out to a Benefitting Entity out of the proceeds of the Grant to finance eligible activities under Part 2 of the Project, all in accordance with the requirements of the POM.
- 20. “MTIT” means the Ministry of Telecommunications and Information Technology of the Palestinian Authority, or its legal successor.

21. “Operating Costs” means incremental costs incurred by MTIT and the PIA under the Project on account of: (i) salaries and local travel expenditures for temporary staff (excluding civil servants); (ii) local travel expenditures, including *per-diem*, for regular staff; (iii) field offices’ office rental, maintenance and utility charges, communication costs, office supplies and consumables, vehicle rental, insurance, maintenance and fuel; (iv) operation and maintenance of office equipment, bank charges, translation services; (v) establishment and operation of a grievance redress mechanism; (vi) other miscellaneous costs directly associated with the Project implementation all based on periodic budgets acceptable to the Bank; (vii) cost of conducting meetings and workshops; and (viii) Training.
22. “Original Financing Agreement” means the financing agreement for the Project, dated June 30, 2020 (GWBTF Grant No. TF0B2944).
23. “Original Project” means the Project described in Schedule 1 to the Original Financing Agreement.
24. “PIA” or “Project Implementation Agency” means DAI Europe LTD, registered in England and Wales, Company Number 1858644, subject to execution of the Implementation Agreement.
25. “PIA Evaluation Committee” means the committee established by the MTIT under Section I.B.3 of Schedule 2 to this Agreement.
26. “Procurement Regulations” means, for purposes of paragraph 20 of the Appendix to the Standard Conditions, the “Bank Procurement Regulations for IPF Borrowers”, dated July 2016, revised November 2017 and August 2018.
27. “Project Operations Manual” or “POM” means the manual, referred to in Section I.D of Schedule 2 of this Agreement, satisfactory to the Bank containing detailed institutional, administrative, financial, social, technical and operational guidelines and procedure for the implementation of the Project.
28. “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.
29. “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.
30. “Steering Committee” means the committee referred to in Section I.B.2 of Schedule 2 to this Agreement.

31. “Stipend” means provision of funds, on a grant basis, to Eligible Stipend Recipient, on the terms and conditions provided for in the POM, the Stipend Agreement, and under Section I.E of Schedule 2 of this Agreement.
32. “Stipend Agreement” means an agreement entered between the PIA and Eligible IT Firms in accordance with provisions in Section I.E(1) of Schedule 2 of this Agreement.
33. “Sub-Grant Agreement” means each of the subgrants to be entered with each Benefiting Entity, as set forth in Section I.G.2 of Schedule 2 to this Agreement.
34. “Subsidiary Agreement” means the agreement referred to in Section I.A of Schedule 2 to this Agreement pursuant to which the Recipient shall make the proceeds of the Grant available to the Palestinian Authority.
35. “Training” means training activities (other than consultant’s services) to be carried out under the Project, as approved by the Bank, including the reasonable and necessary local and international travel incurred by participants in training seminars, workshops and study tours, as well as reasonable lodging, subsistence, local and international per diem allowances, registration, tuition and facilitator’s fees, minor organizational expenses (including costs of stationery, handouts and training materials), translation and interpretation costs, facility rental costs, and other expenditures directly related to the training, workshop and/or the study tour activity, as may be agreed with the Bank.

## **Section II. Modifications to the Standard Conditions**

The Standard Conditions are modified as follows:

1. Section 2.09 is amended to read as follows:

“Section 2.09. *Visits*. The Recipient shall, throughout the implementation of the Project and for a period of ten (10) years thereafter:

- (a) enable representatives of the Bank to visit any part of the West Bank and Gaza under the jurisdiction of the Palestinian Authority for purposes related to the Grant; and
- (b) enable the Bank’s representatives: (i) to visit any facilities and sites included in the Project; and (ii) to examine the goods financed out of the proceeds of the Grant, and any documents relevant to the performance of its obligations under the Grant Agreement.”

2. Section 3.07 is amended 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 parts of West Bank and Gaza under the jurisdiction of the Palestinian Authority 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 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. Sub-sections (a) and (h) of Section 4.02 are deleted, and consequently, Sub-sections (b) through (k) are re-lettered as Sub-sections (a) through (i).
  4. Re-lettered Sub-section (c) of Section 4.02 is amended to read as follows:
    - “(c) *Fraud and Corruption.* At any time, the Bank determines that any representative of the Recipient (or any agency thereof or any entity in the West Bank and Gaza under the jurisdiction of the Palestinian Authority, 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 agency thereof or any such entity in the West Bank and Gaza under the jurisdiction of the Palestinian Authority or any other such recipient) having taken timely and appropriate action satisfactory to the Bank to address such practices when they occur.”
  5. Re-lettered Sub-section (d) of Section 4.02 is amended to read as follows:
    - “(d) *Cross Suspension.* IBRD or IDA has suspended in whole or in part the right of the Recipient or any agency thereof, or any entity in the West Bank and Gaza under the jurisdiction of the Palestinian Authority, to make withdrawals under any agreement with IBRD or with IDA because of a failure by the Recipient, or any agency thereof, or any entity in the West Bank and Gaza under the jurisdiction of the Palestinian Authority, to perform any of its obligations under such agreement or any other agreement with IBRD or IDA.”
  6. Re-lettered Sub-section (g) of Section 4.02 is amended to read as follows:
    - “(g) *Assignment of Obligations; Disposition of Assets.* The Recipient or any other entity responsible for implementing any part of the Project has, without the consent of the Bank: (i) assigned or transferred, in whole or in part, any of its obligations arising under or entered into pursuant to the

Grant Agreement; or (ii) sold, leased, transferred, assigned, or otherwise disposed of any property or assets financed wholly or in part out of the proceeds of the Grant; provided, however, that the provisions of this paragraph shall not apply with respect to transactions in the ordinary course of business which, in the opinion of the Bank: (A) do not materially and adversely affect the ability of the Recipient (or such other entity) to perform any of its obligations arising under or entered into pursuant to the Grant Agreement or to achieve the objectives of the Project; and (B) do not materially and adversely affect the financial condition or operation of the Recipient (or such other entity).”

7. Re-lettered Sub-section (i) of Section 4.02 is amended to read as follows:

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

(i) Any action has been taken for the dissolution, disestablishment or suspension of operations of the Recipient (or of any other entity responsible for implementing any part of the Project).

(ii) The Recipient (or any other entity responsible for implementing any part of the Project) has ceased to exist in the same legal form as that prevailing as of the date of the Grant Agreement.

(iii) In the opinion of the Bank, the legal character, ownership or control of the Recipient (or any other entity responsible for implementing any part of the Project) has changed from that prevailing as of the date of the Grant Agreement so as to materially and adversely affect the ability of the Recipient (or such other entity) to perform any of its obligations arising under or entered into pursuant to the Grant Agreement, or to achieve the objectives of the Project.”

8. Re-lettered Sub-section (j) of Section 4.02 is amended to read as follows:

“(j) *Ineligibility.* IBRD or IDA has declared the Recipient 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 (including as administrator of funds provided by another financier), as a result of 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.”

9. Sub-section (c) of Section 4.03 is amended 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 agency thereof or any entity in the West Bank and Gaza under the jurisdiction of the Palestinian Authority, or any other recipient of the proceeds of the Grant) without the Recipient (or any such agency thereof or any such entity in the West Bank and Gaza under the jurisdiction of the Palestinian Authority, or any such 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.”
10. Sub-section (a) of Section 4.05 is amended to read as follows:
- “(a) If the Bank determines that an amount of the Grant has been used in a manner inconsistent with the provisions of the Grant Agreement or these Standard Conditions, the Recipient shall, upon notice by the Bank to the Recipient, promptly refund such amount to the Bank. Such inconsistent use shall include, without limitation:
- (i) use of such amount to make a payment for an expenditure that is not an Eligible Expenditure; or
  - (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 agency thereof or any entity in the West Bank and Gaza under the jurisdiction of the Palestinian Authority, or other recipient of such amount of the Grant), in either case without the Recipient (or such agency thereof or such entity in the West Bank and Gaza under the jurisdiction of the Palestinian Authority, or other such recipient) having taken timely and appropriate action satisfactory to the Bank to address such practices when they occur.”
11. Sub-section (k) of Section 5.03 is amended to read as follows:
- “(k) If, within thirty (30) 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, 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.”

12. Paragraph (18) of the Appendix is deleted and, consequently, paragraphs (19) through (28) are re-numbered as paragraphs (18) through (27).