
LOAN NUMBER 9570-IN

Project Agreement

**(Assam State Secondary Healthcare Initiative for Service Delivery Transformation
(ASSIST) Project)**

between

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

and

STATE OF ASSAM

PROJECT AGREEMENT

AGREEMENT between INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (“Bank”) and STATE OF ASSAM (“Project Implementing Entity”) (“Project Agreement”) in connection with the Loan Agreement of the Signature Date between INDIA (“Borrower”) and the Bank, concerning Loan No. 9570-IN (“Loan Agreement”). The Bank and the Project Implementing Entity hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

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

ARTICLE II — PROJECT

- 2.01. The Project Implementing Entity declares its commitment to the objectives of the Project. To this end, the Project Implementing Entity shall carry out the Project in accordance with the provisions of Article V of the General Conditions and the Schedule to this Agreement, and shall provide, promptly as needed, the funds, facilities, services and other resources required for the Project.

ARTICLE III — REPRESENTATIVE; ADDRESSES

- 3.01. The Project Implementing Entity’s Representative is its Chief Secretary.
- 1.02. For purposes of Section 10.01 of the General Conditions:

(a) the Bank address is:

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

(b) the Bank’s Electronic Address is:

Telex:

Facsimile:

E-mail:

248423(MCI) or
64145(MCI)

1-202-477-6391

wbindia@worldbank.org

1.03. For purposes of Section 10.01 of the General Conditions:

(a) the Project Implementing Entity's address is:

The Assam Health Infrastructure Development and Management Society (AHIDMS),
Assam Nayantara Super Market Complex, 4th Floor,
Six Mile, GS Road,
Guwahati 22; and

(b) the Project Implementing Entity's Electronic Address is:

E-mail:

pmu.ahidms@gmail.com

AGREED as of the later of the two dates written below.

**INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT**

By



Authorized Representative

Name: Auguste Tano Kouame

Title: Country Director

Date: 14-Sep-2023

STATE OF ASSAM

By



Authorized Representative

Name: Siddharth Singh

Title: Commissioner & Secretary, MERD

Date: 18-Sep-2023

SCHEDULE

Execution of the Project

Section I. Project Implementation

A. Institutional and Implementation Arrangements

1. The Project Implementing Entity shall vest the responsibility for the management and implementation of the Project in the Assam Health Infrastructure Development and Management Society (“AHIDMS”).
2. Without limitation upon the provision of Section I.A.1 of this Schedule, the Project Implementing Entity shall cause AHIDMS to ensure that the District Hospitals which shall benefit from Parts 2 and 3 of the Project comply with their responsibilities for the implementation of the Project, as set forth in the Operational Manual.
3. The Project Implementing Entity shall:
 - (i) maintain throughout the period of Project implementation, the Project Steering Committee, chaired by the Chairman of the governing body of AHIDMS; which committee shall have composition, functions and responsibilities acceptable to the Bank, including providing oversight on Project implementation; approving and monitoring annual work plans and budgets; and approving the Operational Manual;
 - (ii) maintain throughout the period of Project implementation, the Project Executive Committee, chaired by the Chairman of the executive committee of AHIDMS; which committee shall have composition, functions and responsibilities acceptable to the Bank, including providing regular monitoring and necessary approvals for day-to-day implementation of the Project;
 - (iii) maintain throughout the period of Project implementation, the State Project Management Unit (“SPMU”), headed by a Project director and comprising of experienced and qualified staff and consultants, in sufficient numbers and under terms of reference acceptable to the Bank, which shall be responsible for day-to-day Project implementation and monitoring, and shall have functions and responsibilities acceptable to the Bank, including, *inter alia*: (a) preparing Annual Work Plans and Budgets and ensuring all Project activities are planned, financed and implemented accordingly; (b) preparing the Operational Manual and ensuring Project implementation is in accordance with the Operational Manual; (c) ensuring that procurement and financial management activities are carried out in timely manner in accordance with the Operational Manual; (d) ensuring compliance with the ESCP; (e) monitoring Project activities; and (f) preparing Project progress reports and ensuring their timely submission to the Bank;

- (iv) not later than three (3) months after the Effective Date, recruit, and maintain until the date set forth in the Operational Manual, a Project management and technical agency, under terms of reference and with qualifications and experience acceptable to the Bank, to provide fiduciary and technical support to the SPMU for the implementation of the Project;
- (v) not later than three (3) months after the Effective Date, recruit, and maintain throughout Project implementation, an external verification agency, under terms of reference and with qualifications and experience acceptable to the Bank, to verify the achievement of indicators/results achieved by the Beneficiaries under the Internal Performance Grant; and
- (vi) without limitation of the provisions of Section 5.09 of the General Conditions, ensure: (i) that the audit of the Financial Statements referred to in Section 5.09(b)(i) of the General Conditions shall be carried out by independent auditors acceptable to the Bank; and (ii) that the audited Financial Statements are furnished to the Bank not later than nine (9) months after the end of the Fiscal Year.

B. Operational Manual. The Project Implementing Entity:

- (a) shall, not later than three (3) months after the Effective Date, prepare, approve and adopt an Operational Manual in a manner and substance satisfactory to the Bank, and thereafter carry out the Project in accordance with the provisions of the Operational Manual, which manual shall include, *inter alia*: (i) the details of the Project activities including results framework and overall budget; (ii) the Project implementation arrangements, including the obligations of the District Hospitals that will benefit from Parts 2 and 3 of the Project; (iii) the IPA Grants Manual; (iv) the format of the interim unaudited financial reports to be submitted under the Project; (v) the Project's administrative, accounting, auditing, reporting, financial management and procurement requirements; (vi) the ESCP; and (vii) the Project's monitoring and evaluation, and reporting requirements;
- (b) shall not amend, suspend, abrogate, repeal or waive any provision of the Operational Manual without the prior written approval by the Bank. In case of conflict between the terms of the Operational Manual and those of this Agreement, the terms of this Agreement shall prevail.

C. IPA Grants Manual. The Project Implementing Entity shall:

- (a) prepare and adopt a manual ("IPA Grants Manual"), in a manner and substance satisfactory to the Bank, which shall set forth the implementation arrangements for the IPA Grants, including, *inter alia*: (i) eligibility criteria of Beneficiaries; (ii) procedures and requirements to disburse the IPA Grants; (iii) eligible activities to be financed under the IPA Grants; and (iv) templates for the Internal Performance Agreements; and

- (b) ensure that the activities under Part 1 of the Project are implemented in accordance with the IPA Grants Manual. The Project Implementing Entity shall not amend, suspend, abrogate, repeal or waive any provision of the IPA Grants Manual without the prior written approval by the Bank. In case of conflict between the terms of the IPA Grants Manual and those of this Agreement, the terms of this Agreement shall prevail.

D. IPA Grants

1. For purposes of carrying out the activities under Part 1 (a) of the Project, the Project Implementing Entity shall select the Beneficiaries for receiving IPA Grants, in accordance with the eligibility criteria, procedures and requirements set forth in the IPA Grants Manual.
2. Upon selection of Beneficiaries, the Project Implementing Entity shall enter into a written agreement (the “Internal Performance Agreement”) with the respective Beneficiary, under terms and conditions acceptable to the Bank, as forth in the IPA Grants Manual, and pursuant to the respective template agreements prescribed in the IPA Grants Manual, which agreement shall provide, *inter alia*:
 - (i) that the Beneficiary shall carry out activities financed by the IPA Grant with due diligence and efficiency and in accordance with sound technical, financial, environmental and managerial standards, including the provisions of the Project Operational Manual, the IPA Grants Manual, the Anti-Corruption Guidelines and the ESCP;
 - (ii) the requirement that the IPA Grant: (a) be used to finance only the eligible expenditures set forth in the IPA Grants Manual; and (b) be disbursed upon achievement of specific, measurable, verifiable and attributable indicators/results by the Beneficiary as set forth in the respective Internal Performance Agreement;
 - (iii) that the Beneficiary shall: (i) establish and/or maintain policies and procedures that would allow the Project Implementing Entity and/or the Bank to carry out supervision and monitor the implementation of activities under the IPA Grant; (ii) prepare and furnish to the Project Implementing Entity and/or the Bank, all such information that the Project Implementing Entity and/or the Bank shall reasonably request in relation to the IPA Grant; and (iii) accept random and/or unannounced physical or documentary inspections by the Project Implementing Entity and/or the Bank for the monitoring of, and in relation to, the carrying out of the IPA Grant;
 - (iv) that the Beneficiary shall: (i) maintain records and accounts adequate to reflect, in accordance with sound accounting practices, the operations, resources and expenditures incurred in the implementation of the IPA Grant; and (ii) whenever required by the Bank or the Project Implementing Entity, have such records and accounts audited in accordance with appropriate auditing principles consistently applied by an independent auditor;

- (v) the right of the Project Implementing Entity to suspend or terminate the right of the Beneficiary to withdraw and use the proceeds of the IPA Grant:
 - (A) upon any failure of the Beneficiary to perform its obligations under the Internal Performance Agreement; or
 - (B) upon the Bank declaring the Beneficiary ineligible under the Anti-Corruption Guidelines;
 - (vi) the Project Implementing Entity's right of restitution of any amounts disbursed to the Beneficiary under the IPA Grant with respect to which fraud and corruption has occurred, or with which an ineligible expenditure has been paid; and
 - (vii) the closing date for the IPA Grant, which date shall fall on or before the date set forth in Section III.B.2 of Schedule 2 to the Loan Agreement.
3. The Project Implementing Entity shall exercise its rights under the Internal Performance Agreement in such manner as to protect the interests of the Borrower and the Bank and to accomplish the purposes of the Loan. Except as the Bank shall otherwise agree, the Project Implementing Entity shall not assign, amend, abrogate or waive the Internal Performance Agreement or any of its provisions.

E. Environmental and Social Standards

- 1. **Environmental and Social Standards.** The Project Implementing Entity shall ensure that the Project is carried out in accordance with the Environmental and Social Standards, in a manner acceptable to the Bank.
- 2. **Environmental and Social Commitment Plan.** Without limitation upon paragraph 1 above, the Project Implementing Entity 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 Project Implementing Entity shall ensure that:
 - (a) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, and 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. **Inconsistencies with the ESCP.** In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.
4. **Monitoring and Reporting.** The Project Implementing Entity 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. **Grievance mechanism.** The Project Implementing Entity shall establish, publicize 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.
6. **Management of Contractors.** The Project Implementing Entity shall ensure that all bidding documents and contracts for civil works under the Project include the obligation of contractors, subcontractors and supervising entities, as applicable, to: (a) comply with the relevant aspects of ESCP and the environmental and social instruments referred to therein; (b) adopt and enforce codes of conduct that should be provided to and signed by all workers, detailing measures address environmental, social, health and safety risks and the risks of sexual exploitation and abuse, sexual harassment and violence against children, all as applicable to such civil works commissioned or carried out pursuant to said contracts.
7. **Technical Assistance.** The PIE shall ensure that: (a) all consultancies related to technical assistance, design and capacity building under the Project, the application of whose results could have environmental, social and health and safety implications, shall only be undertaken pursuant to terms of reference reviewed and found satisfactory by the Bank; and (b) such terms of reference shall require the technical assistance, design and capacity building activities to take into account the requirements of the applicable ESSs.

F. Annual Work Plans and Budgets

1. The Project Implementing Entity shall, no later than April 30 of each fiscal year during Project implementation, prepare and furnish to the Bank, an annual program of activities proposed for implementation under the Project during the following year, together with a proposed budget for the purpose, except for the annual work plan and budget for the first year which shall be furnished prior to the commencement of the relevant activities under the Project.
2. The Project Implementing Entity shall exchange views with the Bank on each such proposed annual work plan for the Project, and shall thereafter adopt, and carry out such activities for such following fiscal year as shall have been agreed with the Bank, as such plan may be subsequently revised during such following fiscal year with the prior written agreement of the Bank.

G. Personal Data

The Project Implementing Entity shall:

- (a) ensure that the Project's activities involving collection, storage, usage, and/or processing of Personal Data are carried out with due regard to the Borrower's existing legal framework and appropriate international data protection and privacy standards and practices and ensure legitimate, appropriate and proportionate treatment of such data;
- (b) in the event that, during the implementation of the Project, the approval of any new legislation regarding Personal Data protection may have an impact on the activities financed by the Project, ensure that a technical analysis of said impact is conducted, and that the necessary recommendations and adjustments, are implemented, as appropriate; and
- (c) except as may otherwise be explicitly required or permitted under this Agreement, or as may be explicitly requested by the Bank, in sharing any information, report or document related to the activities described in Schedule 1 to the Loan Agreement, ensure that such information, report or document does not include Personal Data.

H. Other Undertakings

The Project Implementing Entity shall ensure that it provides counterpart funding of 20% of the estimated Project cost for implementation of Project activities and share the corresponding financial information with the Bank at the end of every fiscal year for the Bank's review and monitoring of such contribution.

Section II. Project Monitoring, Reporting and Evaluation

1. The Project Implementing Entity shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 5.08 (b) of the General Conditions and on the basis of indicators acceptable to the Bank, covering the calendar, and shall be furnished to the Borrower not later than 45 days after the end of the period covered by such report for incorporation and forwarding by the Borrower to the Bank of the overall Project Report.

2. The Project Implementing Entity shall: (a) prepare, under terms of reference satisfactory to the Bank, and furnish to the Bank no later than thirty (30) months from the Effective Date, a consolidated mid-term review report for the Project, summarizing the results of the monitoring and evaluation activities carried out from the inception of the Project, and setting out the measures recommended to ensure the efficient completion of the Project and to further its objective; and (b) review jointly with the Bank, said report and thereafter take all measures required to ensure the efficient completion of the Project and the achievement of the objectives thereof, based on the conclusions and recommendations of such report and the Bank's views on the matter.