

Lilia Burunciuc
Director, Caribbean
Latin America and the Caribbean Region

Date: 02-Mar-2023

Dr. The Right Honourable Dickon Mitchell
Prime Minister and Minister for Finance,
National Security, Home Affairs, Public Administration,
Information and Disaster Management
Office of the Prime Minister
Ministerial Complex 6th Floor Botanical Gardens
St. George's
Grenada

Re: Digital Government for Resilience Project – IDA Credit 6486-GD
Amendment No. 1 to the Financing Agreement

Dear Sir,

We refer to the Financing Agreement between the International Development Association (Association) and Grenada (Recipient) dated October 19, 2019, for the above-mentioned Project. We also refer to the letter of December 13, 2022, requesting the Association to amend the Financing Agreement to reflect a change in the implementing ministry and to modify the indicators and targets in the results framework as per discussions held in November of last year.

Following up on your request, the Association proposes to amend the Financing Agreement as follows:

1. Section 3.01 is hereby amended to read as follows:

“3.01 The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall carry out the Project, in accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement.”

2. Section 4.01 is hereby amended to read as follows:

“4.01 The Additional Conditions of Effectiveness consist of the following:

- (a) The Recipient, through the Ministry, shall have adopted the Project Operations Manual in a form and manner acceptable to the Association.
- (b) The Recipient, through the Ministry, shall have adopted the Labor Management Procedures in a manner acceptable to the Association.”

3. Section 1 of Schedule 2 should be replaced by Annex 1 to this letter.

4. The Appendix is amended as follows:
- (a) Definitions No. 8 (“MOIID”) and No. 11 (“PMM”) are hereby deleted.
 - (b) The following definitions are hereby added (and the remaining definitions are reordered to maintain alphabetical order):

““Key Stakeholders” means the Recipient’s Ministry of Finance and Ministry of National Security, Home Affairs, Public Administration, Information and Disaster Management, and any other of the Recipient’s ministries acceptable to the Association, as set forth in the Project Operations Manual.”

““Ministry” means the Recipient’s Ministry of Economic Development, Planning, Tourism, ICT, Creative Economy, Agriculture and Lands, Fisheries and Cooperatives, or any successor thereto acceptable to the Association.”

Please indicate your agreement with the foregoing amendments to the Financing Agreement on behalf of the Recipient by countersigning and dating this amendment letter in the spaces provided below. This amendment letter shall become effective as of the date of its countersignature. Finally, please note that the enclosed Restructuring Paper will be disclosed on the Association’s external website.

Sincerely,

INTERNATIONAL DEVELOPMENT ASSOCIATION

Lilia Burunciuc

Lilia Burunciuc

AGREED BY:

GRENADA

By: 
Authorized Representative

Name: Hon. Dickon Mitchell

Title: Prime Minister and Minister for Finance

Date: 04-Mar-2023

CC:

Mr. Mike Sylvester, Permanent Secretary, Finance and Economic Development, Ministry of Finance

Mr. Kim Frederick, Permanent Secretary, Economic Development, Planning, Tourism, Creative Economy, Ministry of Economic Development, Planning, Tourism, ICT and Creative Economy, Agriculture and Lands, Fisheries and Cooperatives

Mr. Finley Jeffrey, Permanent Secretary with responsibility ICT, Ministry of Economic Development, Planning, Tourism, ICT and Creative Economy, Agriculture and Lands, Fisheries and Cooperatives

Ms. Lyndonna Hillaire-Marshall, Permanent Secretary with responsibility for Public Administration, Ministry of National Security, Home Affairs, Public Administration, Information and Disaster Management

Mr. Terrence Victor, Chief Procurement Officer, Ministry of Finance

Mr. Imi Chitterman, Chief Information Officer

Annex 1

Section I. Implementation Arrangements

A. Institutional Arrangements

1. The Recipient, through the Ministry, shall be responsible for the overall technical implementation of the Project, with the assistance of Key Stakeholders as set forth in the Project Operations Manual, as agreed with the Association.
2. The Recipient, through the Ministry, shall maintain a Project manager to manage the implementation of the Project, including the coordination and collaboration among Key Stakeholders and any other agencies of the Recipient, with qualifications, terms of reference, and under terms and conditions acceptable to the Association and as set forth in the Project Operations Manual.
3. For the purpose of assisting with carrying out the Project and without limitation to the provisions of Section 3.01 of this Agreement, the Recipient, shall retain the services throughout Project implementation of a Project Management and Technical Advisory Firm in accordance with Section 5.13 of the General Conditions, to assist with Project implementation and provide advisory services to the Recipient, with qualifications, terms of reference, and under terms and conditions acceptable to the Association and as further described in the Project Operations Manual.
4. The Recipient shall operate and maintain a Project Oversight Committee throughout the implementation of the Project to monitor Project implementation and provide guidance on policy and institutional matters, with composition and terms of reference satisfactory to the Association, as further described in the Project Operations Manual.
5. The Recipient shall operate and maintain Technical Advisory Committees throughout the implementation of the Project to assist with the technical oversight of the Project, with composition and terms of reference satisfactory to the Association, as further described in the Project Operations Manual.
6. The Recipient shall retain an environmental and social specialist in accordance with Section 5.13 of the General Conditions, with qualifications, terms of reference, and under terms and conditions acceptable to the Association and as further described in the Project Operations Manual.

B. Project Operations Manual

1. The Recipient, through the Ministry, shall carry out the Project in accordance with the provisions of a manual (the "Project Operations Manual") acceptable to the Association, which shall include, *inter alia*: (a) a detailed description of Project activities and institutional arrangements for the Project; (b) the roles and responsibilities of the MOF with respect to the Project's administrative, accounting, auditing, reporting, financial (including cash flow aspects in relation thereto), procurement and disbursement procedures; (c) the monitoring indicators for the Project; (d) the institutional and administrative mechanisms established to ensure inter-institutional coordination, including the roles and responsibilities of the Ministry and Key Stakeholders in the implementation

of the Project; and (e) principles applicable to technical assistance to ensure consistency with the Environmental and Social Standards.

2. Except as the Association may otherwise agree in writing, the Recipient shall not abrogate, amend, suspend, waive, or otherwise fail to enforce the Project Operations Manual or any provision thereof.
3. In case of any conflict between the terms of the Project Operations Manual and those of this Agreement, the terms of this Agreement shall prevail.

C. Environmental and Social Standards

1. The Recipient shall ensure that the Project is carried out in accordance with the Environmental and Social Standards, in a manner acceptable to the Association.
2. Without limitation upon paragraph 1 of this Section, the Recipient shall ensure that the Project is implemented in accordance with the Environmental and Social Commitment Plan (“ESCP”), in a manner acceptable to the Association. To this end, the Recipient shall ensure that:
 - (a) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, and as further specified in the ESCP;
 - (b) sufficient funds are available to cover the costs of implementing the ESCP;
 - (c) policies, procedures, and qualified staff are maintained to enable it to implement the ESCP, as further specified in the ESCP; and
 - (d) the ESCP or any provision thereof is not amended, revised, or waived, except as the Association shall otherwise agree in writing and the Recipient has, thereafter, disclosed the revised ESCP.
3. In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.
4. The Recipient shall:
 - (a) take all measures necessary on its part to collect, compile, and furnish to the Association through regular reports, with the frequency specified in the ESCP, and promptly in a separate report or reports, if so requested by the Association, 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 Association, 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 Association of any incident or accident related to or having an impact on the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public, or workers, in

accordance with the ESCP, the instruments referenced therein and the Environmental and Social Standards.

5. The Recipient shall maintain and publicize the availability of a grievance mechanism, in form and substance satisfactory to the Association, 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 Association.