

**CONFORMED COPY**

**CREDIT NUMBER 4845-BO**

# **Financing Agreement**

**(Strengthening Statistical Capacity and the Informational Base  
for Evidence-Based Planning Project)**

**between**

**PLURINATIONAL STATE OF BOLIVIA**

**and**

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

**Dated March 9, 2011**

**CREDIT NUMBER 4845-BO**

**FINANCING AGREEMENT**

AGREEMENT dated March 9, 2011, entered into between PLURINATIONAL STATE OF BOLIVIA (“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 thirty one million nine hundred thousand Special Drawing Rights (SDR 31,900,000) (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 The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.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 June 15 and December 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 cause the Project to be carried out by INE, 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 — REMEDIES OF THE ASSOCIATION**

- 4.01. The Additional Events of Suspension consist of the following:
- (a) INE Legislation shall have been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of INE to perform any of its obligations under this Agreement;
  - (b) INE shall have failed to comply with any of its obligations under the Subsidiary Agreement; and
  - (c) the Recipient's legislative provisions, including as set forth in the Supreme Decree ("*Normas Básicas del Sistema de Administración de Bienes y Servicios*") which allow procurement under the Project to comply with Section III of Schedule 2 to this Agreement: (i) shall have been amended, suspended, abrogated, repealed or waived so as to render ineffective, in the opinion of the Association, the procurement of the Project in accordance with said Section III; and (ii) no provision analogous to said legislative provisions shall have been adopted to replace them in a manner and substance satisfactory to the Association.
- 4.02. The Additional Event of Acceleration consists of the following, namely, that any and each of the events specified in Section 4.01 of this Agreement shall have occurred and shall be continuing for a period of 60 days after notice of the events shall have been given by the Association to the Recipient.

**ARTICLE V — EFFECTIVENESS; TERMINATION**

- 5.01. The Additional Condition of Effectiveness consists of the following, namely, that the Subsidiary Agreement shall have been executed on behalf of the Recipient and INE.

- 5.02. The Additional Legal Matter consists of the following, namely, that the Subsidiary Agreement shall have been duly authorized or ratified by the Recipient and INE and shall be legally binding upon the Recipient and INE in accordance with its terms.
- 5.03. Without prejudice to the provisions of the General Conditions, the Effectiveness Deadline shall be the date ninety (90) days after the date of this Agreement, but in no case later than the eighteen (18) months after the Association's approval of the Financing which shall expire on July 13, 2012.

**ARTICLE VI — REPRESENTATIVE; ADDRESSES**

601. The Recipient's Representative is its Minister of Development Planning.

6.02. The Recipient's Address is:

Ministerio de Planificación del Desarrollo  
Avenida Mariscal Santa Cruz No. 1092  
La Paz, Bolivia

Facsimile: 011-591-2-23107-93

6.03. 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 the District of Columbia, United States of America, as of the day and year first above written.

PLURINATIONAL STATE OF BOLIVIA

By /s/ Pablo Menacho Diederich

Authorized Representative

INTERNATIONAL DEVELOPMENT ASSOCIATION

By /s/ Laura Frigenti

Authorized Representative

## **SCHEDULE 1**

### **Project Description**

The objective of the Project is to strengthen the statistical capacity and improve the informational base of the Recipient, in order to provide quality information, as defined by its reliability, timeliness, accuracy and representativeness with the level of disaggregation necessary to support systems for planning, designing, monitoring and evaluating public programs and policies.

The Project consists of the following parts:

#### **Part 1: Updating the Multi-Purpose Cartography**

The provision of support in relation to the modernization of the multi-purpose cartography in the Recipient's territory including, in connection therewith: (a) the update of the cartography of the Recipient's territory; and (b) the integration of the updated cartographic material into the Recipient's geographic information system.

#### **Part 2: National Agricultural Census**

The carrying out of pre-census, census and post-census activities in the context of the Recipient's national agricultural and livestock census, including in relation thereto, the provision of support relevant to:

- (a) Pre-census activities:
  - (i) develop a list of UPAs at the municipal level; and
  - (ii) conduct a pilot census to test and adjust instruments to be used in the main census;
- (b) Census activity: collect information on UPAs through the use of internationally recognized instruments, techniques, methods and standards adapted to the Recipient's own context.
- (c) Post-census activity: disseminate the processed information of the data collected.

#### **Part 3: National Population and Housing Census**

The carrying out of pre-census, census and post-census activities in the context of the Recipient's national population and housing census, including in connection therewith, the provision of support to:

- (a) Pre-census activities:
  - (i) develop the census instrument for the collection of demographic information;
  - (ii) prepare training materials and carry out training activities for operational staff in charge of census activities;
  - (iii) elaborate dissemination materials that will be used to promote the participation of the population in this data collection exercise; and
  - (iv) develop a pilot census and experimental censuses to test and adjust accordingly the material to be used in the main census.
- (b) Census activity: process and collect the census data.
- (c) Post-census activity: disseminate the processed information of the data collected by the census.

**Part 4: Continuous Household Survey**

The provision of support to: (a) develop a new methodology that would maintain the comparability with previous surveys in the Recipient's territory; (b) expand the sample size to be representative of the departments and the largest cities in the Recipient's territory; and (c) collect and process the information of the survey.

## SCHEDULE 2

### Project Execution

#### Section I. Implementation Arrangements

##### A. Institutional Arrangements

The Recipient shall cause INE to:

1. (a) establish, and thereafter maintain throughout Project implementation within INE, a technical unit responsible for census and an administrative unit which, for purposes of Project implementation, shall be:
  - (i) entrusted with exclusive responsibility for ensuring the overall planning and coordination of the Project and thus operating with structure, mandate and resources agreed with the Recipient and satisfactory at all times to the Association;
  - (ii) staffed with a dedicated team of professionals described in the OM, in number and with qualifications and experience satisfactory to the Association, including as may be needed, specialists in, *inter alia*, financial management and procurement selected and appointed under the Project, not later than 3 months after the Effective Date, in accordance with the relevant provisions of Section III of Schedule 2 to this Agreement.
2. assign responsibility internally for the management, implementation, monitoring and reporting of the Project among its corporate departments, directorates, or departmental units described in detail in the OM.

##### B. Subsidiary Agreement

1. To facilitate the carrying out of the Project by INE, the Recipient shall make the proceeds of the Financing available to INE under a subsidiary agreement entered among the Recipient's Ministry of Economy and Public Finance, MPD and INE, under terms and conditions approved by the Association, among which, *inter alia*, the requirement that INE shall comply with the terms of this Agreement, the OM and the Anti-corruption guidelines ("Subsidiary Agreement").
2. The Recipient shall, through MPD, exercise its rights under the Subsidiary Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing. Except as the



Association shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive the Subsidiary Agreement or any of its provisions.

**C. Implementation Documents**

1. The Recipient shall cause INE to adopt an operational manual (“OM”) for the Project, satisfactory in form and substance to the Association, consisting of different schedules setting forth, respectively, rules, methods, guidelines, plans, standard documents and procedures for the carrying out of the Project, including the following:
  - (a) (i) the detailed description of Project implementation activities, their sequencing and the prospective timetable and benchmarks in relation thereto; (ii) the qualification, experience, functions, responsibilities of key staff of INE directly responsible for Project execution; and (iii) the detailed corporate structure of INE and all institutional arrangements made thereunder for assigning the respective responsibilities for the Project activities, including, *inter alia*, the financing, reporting and auditing aspects thereof;
  - (b) (i) the Project administrative, financial, accounting, auditing, procurement and disbursement procedures, including all relevant standard documents and SBDs; and (ii) the procurement thresholds in respect of the procurement methods set forth in Section III of this Schedule and all associated reviews by the Association under this Project;
  - (c) the final form of the interim unaudited financial reports and Financial Statements for the Project and the terms of reference for the financial audits of the Project;
  - (d) the plan for the monitoring, evaluation and supervision of the Project; and
  - (e) the performance indicators for the Project.
2. The Recipient shall cause INE to: (a) maintain the OM throughout Project implementation; (b) take all measures necessary to ensure that the Project is carried out in conformity with the OM; and (c) only amend the OM, from time to time, exclusively with the Association’s prior consent. Except as the Association shall otherwise agree, the Recipient shall not, and shall cause INE not to amend, abrogate, waive or fail to enforce the Operational Manual.
3. In the event of a conflict between any provision of the Operational Manual and any one under this Agreement, the provisions of this Agreement shall prevail.

**D. Additional Implementation Arrangements**

The Recipient shall cause INE to: (a) submit annual Project work plans and budget to MPD and the Association for their respective review and approval; and (b) apply the views and recommendations of the Association in the further implementation of the Project.

**E. Anti-Corruption**

The Recipient shall, and shall cause INE to, 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. The Recipient shall cause INE to 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 performance indicators for the Project agreed with the Association and set forth in the OM. Each Project Report shall cover the period of one calendar semester and shall be furnished by INE to MPD and the Association respectively not later than one month after the end of the period covered by such report.

**B. Financial Management, Financial Reports and Audits**

1. The Recipient shall maintain and cause INE to maintain a financial management system in accordance with the provisions of Section 4.09 of the General Conditions.
2. The Recipient shall cause INE to prepare and furnish to the Association not later than one month after the end of each calendar semester, as part of the Project Reports, interim unaudited financial reports for the Project covering the semester, in form and substance satisfactory to the Association.
3. The Recipient shall cause INE to have the Financial Statements for the Project 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 fiscal year of INE. The audited Financial Statements for each such period shall be furnished to the Association not later than six months after the end of such period.

- 4. The Recipient shall, through MPD, have the Financial Statement in respect of the Preparation Advance for the Project audited in accordance with the provisions of Section 4.09 (b) of the General Conditions. Each such audit shall cover the period of one fiscal year of the Recipient or any period agreed with the Association and shall be furnished to the Association not later than 6 months after the Effective Date of this Agreement.

**Section III. Procurement**

**A. General**

- 1. **Goods and Non-consultant services.** All goods and Non-consultant 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. **Consultants' Services.** All consultants' 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 Sections I and IV of the Consultant Guidelines, and with the provisions of this Section.
- 3. **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 or Consultant Guidelines, as the case may be.

**B. Particular Methods of Procurement of Goods**

- 1. **International Competitive Bidding.** Except as otherwise provided in paragraph 2 below, goods and Non-consultant services shall be procured under contracts awarded on the basis of International Competitive Bidding.
- 2. **Other Methods of Procurement of Goods and Non-consultant services.** The following table specifies the methods of procurement, other than International Competitive Bidding, which may be used for goods and works. The Procurement Plan shall specify the circumstances under which such methods may be used:

<b><u>Procurement Method</u></b>
(a) National Competitive Bidding (NCB), subject to the following additional procedures: <ul style="list-style-type: none"> <li>i. A merit point system shall not be used in the pre-qualification of bidders.</li> <li>ii. The award of contracts for goods and Non-consultant services shall</li> </ul>

	<p>be based exclusively on price and, whenever appropriate, shall also take into account factors similar to those referred to in paragraph 2.51 of the Guidelines, provided, however, that the bid evaluation shall always be based on factors that can be quantified objectively, and the procedure for such quantification shall be disclosed in the invitation to bid.</p> <ul style="list-style-type: none"> <li>iii. All bids shall be opened at the stipulated time and place in accordance with a procedure satisfactory to the Association.</li> <li>iv. The single envelope procedure shall be used.</li> <li>v. Whenever a discrepancy shall occur between the amounts in figures and in the words of a bid, the amounts in words shall govern.</li> <li>vi. No prescribed minimum number of bids shall be required to be submitted for a contract to be subsequently awarded.</li> <li>vii. Foreign bidders shall be allowed to participate.</li> <li>viii. Foreign bidders shall not be required to legalize any documentation related to their bids with Recipient’s authorities as a prerequisite for bidding.</li> <li>ix. No margin of preference shall be granted for any particular category of bidders.</li> <li>x. In the event that a bidder whose bid was evaluated as the bid with the lowest evaluated price withdraws its bid, the contract may be awarded to the second lowest responsive evaluated bid.</li> <li>xi. Foreign bidders shall not, as a condition for submitting bids, be required to enter into a joint venture agreement with local bidders.</li> <li>xii. No procurement rules or regulations of neither of the Recipient’s agencies, including INE, nor of any state-owned entity shall apply without the prior review and consent of the Association.</li> <li>xiii. Recipient State-owned enterprises shall be allowed to participate in bids only upon their compliance with the provisions of paragraph 1.8 (c) of the Guidelines.</li> <li>xiv. No contractor or supplier shall be denied fair and equitable treatment in any resolution of dispute with the Recipient and/or any of its executing agencies.</li> <li>xv. Bidding documents for NCB shall include Anticorruption Clauses that shall be substantially identical to those pertaining to the Association/Bank Standard Bidding Documents for ICB.</li> </ul>
	<p>(b) Shopping, subject to the additional procedures set forth above for NCB.</p>
	<p>(c) Limited international Bidding, in accordance with the provisions of paragraph 3.2 of the Guidelines.</p>

**C. Particular Methods of Procurement of Consultants’ Services**

- 1. **Quality- and Cost-based Selection.** Except as otherwise provided in paragraph 2 below, consultants’ services shall be procured under contracts awarded on the basis of Quality and Cost-based Selection.

- (2) **Other Methods of Procurement of Consultants' Services.** The following table specifies methods of procurement, other than Quality and Cost-based Selection, which may be used for consultants' services, subject to the following additional procedures which shall equally apply in respect of any of the other methods set forth below:

(i) as a condition for participating in the selection process, foreign consultants shall not be required to enter into a joint venture agreement with local consultants, unless the conditions stated in paragraph 1.12 of the Consultant Guidelines are met;
(ii) as a condition for participating in the selection process, foreign consultants shall not be required to legalize their proposals or any documentation related to such proposals with Recipient's authorities;
(iii) foreign consultants shall not be required to be registered in the Recipient's National Registry of Consultants ( <i>Registro Nacional de Consultoría</i> );
(iv) consultants, either firms or individuals, shall not be required to present bid and performance securities as a condition to present proposals and sign an award contract; and
(v) no consultant, individually or as a firm, shall be denied a fair and equitable treatment in its resolution of dispute with the Recipient and/or any of its executing agencies.

- (3) The Procurement Plan shall specify the circumstances under which such methods may be used.

<b>Procurement Method</b>
(a) Quality-based Selection.
(b) Selection under a Fixed Budget.
(c) Least Cost Selection.
(d) Selection Based on Consultant's Qualifications.
(e) Single Source Selection.
(f) Selection of Individual Consultants.

**D. Review by the Association of Procurement Decisions**

1. The Procurement Plan shall set forth all contracts, including those contracts which shall be subject to the Association's Prior Review. All other contracts shall be subject to Post Review by the Association.

2. The Recipient shall cause INE to carry out procurement audits, under the following terms and conditions:
  - (a) not later than January 15 of each year during the implementation of the Project, beginning on January 15, 2012, INE shall select and contract independent auditors with experience and qualifications satisfactory to the Association, operating under terms of reference satisfactory to the Association, to perform a procurement audit of all the procurement records and documentation for the Project, relating to the Recipient's previous fiscal year of implementation of the Project, in accordance with procurement auditing principles acceptable to the Association ("Procurement Audit");
  - (b) not later than May 15 of each year during the implementation of the Project, beginning on May 15, 2012 and continuing for each year thereafter during the implementation of the Project, furnish to the Association the report, in form and substance satisfactory to the Association, on the Procurement Audit completed for the Recipient's prior fiscal year;
  - (c) at all times during the implementation of the Project, furnish to the Association and to the auditors performing a Procurement Audit, such other information concerning the procurement records and documentation for the Project as the Association or the auditors may from time to time reasonably request; and
  - (d) not later than June 15 of each year during the implementation of the Project, beginning on June 12, 2012, exchange views with the Association on the results of the Procurement Audit completed for the Recipient's prior fiscal year and thereafter implement such recommended measures, taking into account the Association's views on the matter.

#### **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: (a) repay the Preparation Advance in accordance with Section 2.07 of the General Conditions; and (b) 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:

<b><u>Category</u></b>	<b><u>Amount of the Financing Allocated (expressed in SDR)</u></b>	<b><u>Percentage of Expenditures to be Financed (inclusive of Taxes)</u></b>
(1) Goods, Non-consultant services, consultants’ services Training and Operating Costs for Part 1 of the Project	8,700,000	100%
(2) Goods, Non-consultant services, consultants’ services, Training and Operating Costs for Part 2 of the Project	8,400,000	100%
(3) Goods, Non-consultant services, consultants’ services, Training and Operating Costs for Part 3 of the Project	13,100,000	100%
(4) Goods, Non-consultant services, consultants’ services, Training and Operating Costs for Part 4 of the Project	900,000	100%
(5) Refund of Preparation Advance	800,000	Amount payable pursuant to Section 2.07 of the General Conditions
<b>TOTAL AMOUNT</b>	31,900,000	

**B. Withdrawal Conditions; Withdrawal Period**

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made for payments made prior to the date of this Agreement, except that withdrawals up to an aggregate amount not to exceed five million Dollars (\$ 5,000,000) equivalent may be made for payments made prior to this date but on or after November 30, 2010 for Eligible Expenditures.
2. The Closing Date is June 15, 2015.



**SCHEDULE 3****Repayment Schedule**

<b>Date Payment Due</b>	<b>Principal Amount of the Credit repayable (expressed as a percentage)*</b>
On each June 15 and December 15, commencing June 15, 2021 to and including December 15, 2030:	5%

\* 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

### Section I. 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 with the modifications set forth in Section II of this Appendix.
2. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
3. “Consultant Guidelines” means the “Guidelines: Selection and Employment of Consultants by World Bank Borrowers” published by the Bank in May 2004 and revised in October 2006 and May 2010.
4. “General Conditions” means the “International Development Association General Conditions for Credits and Grants”, dated July 31, 2010.
5. “Non-consultant services” means, in respect of Category 1 through 4 in the table of Section IV.A.2 of Schedule 2 to this Agreement, services to be contracted for the carrying out of activities related to, *inter alia*, outreach and communication campaigns and the organization and carrying out of workshops not otherwise covered under Training.
6. “Operational Manual” and “OM” mean a manual for Project implementation as referred to in Section I.C.1 of Schedule 2 to this Agreement.
7. “Operating Costs” means in respect of Categories 1 through 4 in the table of Section IV.A.2 of Schedule 2 to this Agreement, the incremental expenses incurred on account of Project implementation, including office equipment and supplies, vehicle operation and maintenance, communication and insurance costs, office administration costs, utilities, travel, *per diem* and supervision costs and salaries of locally contracted employees.
8. “Preparation Advance” means the advance referred to in Section 2.07 of the General Conditions, granted by the Association to the Recipient pursuant to the letter agreement signed on behalf of the Association on December 19, 2007 and on behalf of the Recipient on January 8, 2008.
9. “Procurement Guidelines” means the “Guidelines: Procurement under IBRD Loans and IDA Credits” published by the Bank in May 2004 and revised in October 2006 and May 2010.

10. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated October 13, 2010, and referred to in paragraph 1.16 of the Procurement Guidelines and paragraph 1.24 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.
11. “INE” means *Instituto Nacional de Estadística*, the Recipient’s National Statistics Institute.
12. “INE’s Legislation” means law (*Decreto-Ley*) No. 14/100 dated November 5, 1976 (“*Ley del Sistema Nacional de Información Estadística*”), which establishes INE as an entity with full legal, administrative and financial autonomy.
13. “MPD” means *Ministerio de Planificación del Desarrollo*, the Recipient’s Ministry of Development Planning.
14. “SBD” means Standard Bidding Document, a document agreed with the Bank/Association to be used for procurement related activities under the Project, as referred to in Section I.C.1 (b) of Schedule 2 to this Agreement
15. “Subsidiary Agreement” means a bi-ministerial resolution issued by MPD and MEFP or any instrument required under the Recipient’s legal framework as referred to in Section I.B of Schedule 2 to this Agreement and as found satisfactory by the Association pursuant to which the Recipient shall make the proceeds of the Financing available to INE.
16. “Training” means in respect of Categories 1, 2, 3 and 4 in the table of Section IV.A.2 of Schedule 2 to this Agreement: (i) reasonable travel, room, board and *per diem* expenditures incurred by trainers and trainees in connection with their training and by non-consultant training facilitators, including therein workshops and study tours in foreign countries; (ii) course fees; (iii) training facility rentals; and (iv) training material preparation, acquisition, reproduction and distribution expenses not otherwise covered under said section.
17. “UPA” means *Unidad de Producción Agropecuaria*, the Recipient’s municipal level basic observation agricultural production unit.

## **Section II. Modifications to the Anti-Corruption Guidelines**

The modifications to the Anti-Corruption Guidelines are as follows:

1. Section 5 is re-numbered as Section 5(a) and a new Section 5(b) is added to read as follows:

“... (b) These Guidelines also provide for the sanctions and related actions to be imposed by the Bank on Borrowers (other than the Member Country) and all other individuals or entities who are recipients of Loan proceeds, in the event that the Borrower or the individual or entity has been debarred by another financier as a result of a determination by such financier that the Borrower or the individual or entity has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of a financing made by such financier.”

2. Section 11(a) is modified to read as follows:

“... (a) sanction in accordance with prevailing Bank’s sanctions policies and procedures (fn13) a Borrower (other than a Member Country) (fn 14) or an individual or entity, including (but not limited to) declaring such Borrower, individual or entity ineligible publicly, either indefinitely or for a stated period of time: (i) to be awarded a Bank-financed contract; (ii) to benefit from a Bank-financed contract, financially or otherwise, for example as a sub-contractor; and (iii) to otherwise participate in the preparation or implementation of the project or any other project financed, in whole or in part, by the Bank, if at any time the Bank determines (fn 15) that such Borrower, individual or entity has engaged in corrupt, fraudulent, collusive, coercive or obstructive practices in connection with the use of loan proceeds, or if another financier with which the Bank has entered into an agreement for the mutual enforcement of debarment decisions has declared such person or entity ineligible to receive proceeds of financings made by such financier or otherwise to participate in the preparation or implementation of any project financed in whole or in part by such financier as a result of a determination by such financier that the Borrower or the individual or entity has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of a financing made by such financier.”

Footnotes:

“13. An individual or entity may be declared ineligible to be awarded a Bank financed contract upon completion of sanctions proceedings pursuant to the Bank’s sanctions policies and procedures, or under the procedures of temporary suspension or early temporary suspension in connection with an ongoing sanctions proceeding, or following a sanction by another financier with whom the Bank has entered into a cross debarment agreement, as a result of a determination by such financier that the firm or individual has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of a financing made by such financier.”

“14. Member Country includes officials and employees of the national government or of any of its political or administrative subdivisions, and government owned enterprises and agencies that are not eligible to bid under paragraph 1.8(b) of the Procurement Guidelines or participate under paragraph 1.11(c) of the Consultant Guidelines.”

“15. The Bank has established a Sanctions Board, and related procedures, for the purpose of making such determinations. The procedures of the Sanctions Board sets forth the full set of sanctions available to the Bank. In addition, the Bank has adopted an internal protocol outlining the process to be followed in implementing debarments by other financiers, and explaining how cross-debarments will be posted on the Bank’s website and otherwise be made known to staff and other stakeholders.”