

**OFFICIAL  
DOCUMENTS**

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GRANT NUMBER TF016138

**MIDDLE EAST AND NORTH AFRICA  
TRANSITION FUND**

**Grant Agreement**

**(Amended and Restated Grant Agreement)  
(Support to Building Active Labor Market Program Project)**

between

**THE HASHEMITE KINGDOM OF JORDAN**

and

**INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT  
AND INTERNATIONAL DEVELOPMENT ASSOCIATION  
(acting as Implementation Support Agency of the Transition Fund)**

Dated **7 April**, 2014

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GRANT NUMBER TF016138

**TRANSITION FUND GRANT AGREEMENT**

AGREEMENT dated 7, April, 2014, entered into between:

THE HASHEMITE KINGDOM OF JORDAN ("Recipient"); and

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT AND INTERNATIONAL DEVELOPMENT ASSOCIATION ("World Bank"), acting as Implementation Support Agency (ISA) for the Transition Fund ("Trust Fund").

Whereas (A) under an agreement, dated November 28, 2013, between the Recipient and the World Bank ("Original Grant Agreement") in an amount equivalent to four million seven hundred fifty thousand Dollars (US\$4,750,000) to assist in financing the project described in Schedule 1 to the Original Grant Agreement ("Original Project");

(B) the Recipient has requested the World Bank for some specific amendments to the Original Project;

NOW THEREFORE, the Recipient and the World Bank hereby agree to amend and restate the Original Grant Agreement, with effect as of the Effective Date of this Agreement, to read as follows:

**Article I  
Standard Conditions; Definitions**

- 1.01. The Standard Conditions for Grants Made by the World Bank Out of Various Funds, dated February 15, 2012 ("Standard Conditions"), with the modifications set forth in Appendix 2 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 Standard Conditions or in this Agreement, or in Appendix 1 to this Agreement.

**Article II  
The Project**

- 2.01. The Recipient declares its commitment to the objectives of the project described in Schedule 1 to this Agreement ("Project"). To this end, the Recipient shall carry out the Project in accordance with the provisions of Article II of the Standard Conditions.

- 2.02. Without limitation upon the provisions of Section 2.01 of this Agreement, and except as the Recipient and the World Bank 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 III  
The Grant**

- 3.01. The World Bank agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a grant in an amount equal to four million seven hundred fifty thousand Dollars (US\$4,750,000) ("Grant") to assist in financing the Project.
- 3.02. The Recipient shall withdraw the proceeds of the Grant in accordance with Section IV of Schedule 2 to this Agreement.
- 3.03. The Grant is funded out of the Trust Fund for which the World Bank receives periodic contributions from the Trustee of the Trust Fund, in accordance with the Financial Procedures Arrangement (FPA) between the International Bank for Reconstruction and Development and International Development Association, acting jointly as Implementation Support Agency (ISA), and the International Bank for Reconstruction and Development, as Trustee, dated November 21, 2012, concerning the Trust Fund. In accordance with Section 3.02 of the Standard Conditions, the World Bank's payment obligations in connection with this Agreement are limited to the amount of funds made available to it by the Trustee under the abovementioned Trust Fund, in accordance with the FPA, and the Recipient's right to withdraw the Grant proceeds is subject to the availability of such funds.

**Article IV  
Recipient's Representative; Addresses**

- 4.01. The Recipient's Representative referred to in Section 7.02 of the Standard Conditions is the Recipient's Minister of Planning and International Cooperation.
- 4.02. The Recipient's Address referred to in Section 7.01 of the Standard Conditions is:

Ministry of Planning and International Cooperation  
Post office Box 555, Amman, 11118  
The Hashemite Kingdom of Jordan

Facsimile: 962-6-464

- 4.03. The World Bank's Address referred to in Section 7.01 of the Standard Conditions is:

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

Cable:	Telex:	Facsimile:
INTBAFRAD INDEVAS Washington, D.C.	248423 (MCI) or 64145 (MCI)	1-202-477-6391

AGREED at 7 April, 2014, as of the day  
and year first above written.

THE HASHEMITE KINGDOM OF JORDAN

By

  
Authorized Representative

Name: Ibrahim Scif

Title: Minister of Planning  
& International  
Cooperation

INTERNATIONAL BANK FOR RECONSTRUCTION AND  
DEVELOPMENT/INTERNATIONAL DEVELOPMENT  
ASSOCIATION  
(acting as Implementation Support Agency of the Transition Fund)

By

  
Authorized Representative

Name: TEDIS BELHAJ

Title: Country Director ✓

## SCHEDULE 1

### Project Description

The objective of the Project is to increase access to career guidance, job search, and on-the-job training among targeted youth.

The Project consists of the following parts:

**Part A. School to Work Program (STW)**

Carrying out a program of activities to assist in the “school-to-work” transition support for students during their final year of university and unemployed youth between ages 19-25, through: (1) strengthening career services in universities and employment offices of MOL in selected governorates; and (2) providing needed refurbishment of selected universities and MOL employment offices, including provision of office equipment and information technology software.

**Part B. Market Information and Job Search Program (MIJS)**

Strengthening job matching by providing technical assistance to MOL to update and expand the Electronic Labor Exchange (ELE) System for improving information available to both employers and prospective job seekers, through: (1) carrying out capacity building activities for selected MOL employment offices staff in data collection, compilation and analysis; (2) building capacity for MOL employment offices staff on facilitating job matching, including the use of the updated and expanded ELE System; (3) developing interactive online career guidance, mentoring, and vocational planning system tools; (4) carrying out communication campaigns to increase the awareness about ELE System for both job seekers and employers; and (5) providing information technology hardware and software at selected MOL employment offices.

**Part C. Job Readiness and Placement Program (JRPP)**

Support graduates (between ages 19-25) from universities and from community colleges in selected governorates, unemployed for at least one (1) year, through providing a package of services comprising: (1) Job Vouchers covering: (a) allowances for seventy-five (75) hours employability training; and (b) partial salary payments for one (1) year; and (2) payment fees.

**Part D. Project Management, Monitoring, and Evaluation**

Support for the coordination, administration, procurement, financial management, monitoring and evaluation (including audits) of the Project.

## SCHEDULE 2

### Project Execution

#### Section I. Institutional and Other Arrangements

##### A. Institutional Arrangements

The Recipient shall maintain the following institutional and implementation arrangements, as further described in the Project Operational Manual, throughout the implementation of the Project:

1. The MOPIC shall be responsible for fiduciary aspects of the Project (including, *inter alia*: financial management and disbursement functions) with close coordination and collaboration of the PMU's procurement and financial management specialists, and a fully dedicated finance officer assigned by the MOPIC for the Project.
2. The E-TVET Fund shall be responsible for the overall Project implementation, management, coordination, and monitoring and evaluation.
3. The Recipient shall, through E-TVET Fund, maintain at all times during the implementation of the Project, a Project Management Unit ("PMU"), with functions, staffing and resources satisfactory to the World Bank.
4. Without limitation to the provisions of paragraph 1 of this part, the PMU shall:  
(a) be headed by a Project director and comprise a procurement officer, a financial management specialist, a technical officer for Job Vouchers, a monitoring and evaluation specialist, and an information technology specialist, to be appointed by the Recipient or selected competitively in accordance with Section III of Schedule 2 to this Agreement, with qualifications, experience and terms of reference satisfactory to the World Bank; and (b) be responsible for the day-to-day implementation of the Project, procurement, financial management, and for reporting to the World Bank on all matters pertaining to the implementation of the Project and the use of the proceeds of the Grant.

##### B. Project Operational Manual

1. The Recipient shall prepare, adopt, and thereafter maintain throughout the implementation of the Project, a project operational manual (POM) in form and substance satisfactory to the World Bank, to include, *inter alia*: (a) details on: (i) Project description and implementation arrangements; (ii) technical; (iii) administrative; (iv) procurement; (v) financial and accounting; and (vi) monitoring and evaluation procedures and arrangements for the Project; (b) an operational module further outlining implementation, monitoring, financial

management, disbursement, detailed eligibility criteria, audit, payment, grievance mechanism and verification procedures for Job Vouchers to be provided under Part C of the Project; and (c) such other arrangements and procedures as shall be required for the Project (the "Project Operational Manual" and/or "POM").

2. The Recipient shall carry out the Project in accordance with the guidelines and procedures set out in the Project Operational Manual (provided, however, that in case of any conflict between the arrangements and procedures set out in the POM and the provisions of this Agreement, the provisions of this Agreement shall prevail) and, except as the World Bank shall otherwise agree in writing, shall not amend, abrogate or waive any provision of the Project Operational Manual.
3. Without limitation to the provision of Section 3.06 of the Standard Conditions, the Recipient shall ensure that the Grant funds are used for their intended purposes and not diverted to terrorists or their agents, or utilized to finance activities carried out by terrorists or their agents.

**C. Job Readiness and Placement Program**

1. The Recipient, through E-TVET Fund, shall make Job Vouchers to the selected Job Voucher Beneficiaries under the Job Readiness and Placement Program for the purposes of Part C of the Project, in accordance with the eligibility criteria and procedures and on terms and conditions provided in the Project Operational Manual and in a manner acceptable to the World Bank. Said eligibility criteria to include, *inter alia*, that: (a) Beneficiaries shall have been identified as graduates from universities or community colleges; (b) Beneficiaries are unemployed for at least one (1) year; and (c) the Recipient shall have confirmed Beneficiaries' compliance with any applicable conditionality.
2. The Recipient shall ensure that: (a) the amount of each Job Voucher is paid to its intended Beneficiary; and (b) each Job Voucher is in an amount acceptable to the World Bank.

**D. Anti-Corruption**

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

**E. Donor Visibility and Visit**

1. The Recipient shall take or cause to be taken all such measures as the World Bank may reasonably request to identify publicly the Donors' support for the Project.
2. For the purposes of Section 2.09 of the Standard Conditions, the Recipient shall, upon the World Bank's request, take all measures required on its part to enable



the representatives of the Trust Fund donors to visit any part of the Recipient's territory for purposes related to the Project.

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

**A. Project Reports; Completion Report**

1. The Recipient shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 2.06 of the Standard Conditions and on the basis of indicators acceptable to the World Bank. Each Project Report shall cover the period of six (6) months, and shall be furnished to the World Bank not later than one (1) month after the end of the period covered by such report.
2. The Recipient shall prepare the Completion Report in accordance with the provisions of Section 2.06 of the Standard Conditions. The Completion Report shall be furnished to the World Bank not later than six (6) months after the Closing Date.

**B. Financial Management; Financial Reports; Audits**

1. The Recipient shall ensure that a financial management system is maintained in accordance with the provisions of Section 2.07 of the Standard Conditions.
2. The Recipient shall ensure that interim unaudited financial reports for the Project are prepared and furnished to the World Bank not later than forty-five (45) days after the end of each calendar quarter, covering the quarter, in form and substance satisfactory to the World Bank.
3. The Recipient shall have its Financial Statements for the Project audited in accordance with the provisions of Section 2.07 (b) of the Standard Conditions. Each such audit of the Financial Statements shall cover the period of one (1) fiscal year of the Recipient or any other period as agreed with the World Bank. The audited Financial Statements for each such period shall be furnished to the World Bank not later than six (6) months after the end of such period.
4. The Recipient shall recruit, not later than six (6) months after effectiveness of this Agreement, the external auditor referred to in Section 2.07 (b) of the Standard Conditions in accordance with Section III of Schedule 2 of this Agreement and pursuant to terms of reference satisfactory to the World Bank.

**C. Other Reports**

Without any limitation to the provisions of Section II.A and Section II.B of this Schedule 2, the Recipient shall, promptly upon request from the World Bank, provide all information and reports relating to the Project and the use of the proceeds of the Grant, in order to enable the World Bank to fulfill its obligations under the FPA.

**Section III. Procurement**

**A. General**

1. **Procurement and Consultant Guidelines.** All goods, works, non-consulting services and consultants' services required for the Project and to be financed out of the proceeds of the Grant shall be procured in accordance with the requirements set forth or referred to in:

(a) Section I of the "Guidelines: Procurement of Goods, Works and Non-consulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers" dated January 2011 ("Procurement Guidelines") in the case of goods, works and non-consulting services, and Sections I and IV of the "Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers" dated January 2011 ("Consultant Guidelines") in the case of consultants' services; and

(b) the provisions of this Section III, as the same shall be elaborated in the procurement plan prepared and updated from time to time by the Recipient for the Project in accordance with paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines ("Procurement Plan").

2. **Definitions.** The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the World Bank of particular contracts, refer to the corresponding method described in Sections II and III of the Procurement Guidelines, or Sections II, III, IV and V of the Consultant Guidelines, as the case may be.

**B. Particular Methods of Procurement of Goods, works and non-consulting services**

1. **National Competitive Bidding.** Except as otherwise provided in paragraph 2 below, goods, works and non-consulting services shall be procured under contracts awarded on the basis of National Competitive Bidding, subject to the following additional procedures:

- (a) Standard bidding documents approved by the Bank shall be used.
- (b) Invitations to bid shall be advertised in at least one widely circulated national daily newspaper and bidding documents shall be made available to prospective bidders, at least twenty-eight (28) days prior to the deadline for the submission of bids.
- (c) Bids shall not be invited on the basis of percentage premium or discount over the estimated cost.
- (d) Bidding documents shall be made available, by mail or in person, to all who are willing to pay the required fee.
- (e) Foreign bidders shall not be precluded from bidding and no preference of any kind shall be given to national bidders, to that end, having a presence in the Borrower's territory should not be a condition for bidding.
- (f) Qualification criteria (in case pre-qualifications were not carried out) shall be stated in the bidding documents, and if a registration process is required, a foreign firm determined to be the lowest evaluated bidder shall be given reasonable opportunity of registering, without any hindrance i.e. no non-registration status should be considered as a non-eligibility-to-bid criterion. Additionally, one envelop system shall be used.
- (g) Bidders may deliver bids, at their option, either in person or by courier service or by mail.
- (h) Except for late bids, bids shall be opened in public in one place preferably immediately, but no later than one (1) hour, after the deadline for submission of bids, and prices for all bids will be read out in this public session and no disqualification shall be made at that stage.
- (i) Evaluation of bids shall be made in strict adherence to the criteria disclosed in the bidding documents, in a format, and within the specified period, agreed with the Bank.
- (j) Bids shall not be rejected merely on the basis of a comparison with an official estimate without the prior concurrence of the Bank.
- (k) Bids shall be solicited and contracts shall be awarded on the basis of unit prices, and not on the basis of a schedule of rates, and award will be based on all items included within the bid or the lot in case of multiple lots.

- (l) Split award or lottery in award of contracts shall not be carried out. When two or more bidders quote the same price, an investigation shall be made to determine any evidence of collusion, following which: (i) if collusion is determined, the parties involved shall be disqualified and the award shall then be made to the next lowest evaluated and qualified bidder; and (ii) if no evidence of collusion can be confirmed, then the Borrower, in agreement with the Bank, and on a case-by-case basis, will consider other relevant procurement options acceptable to the Bank.
  - (m) Contracts shall be awarded to the lowest evaluated and qualified bidder within the initial period of bid validity so that extensions are not necessary. Extension of bid validity may be sought only under exceptional circumstances.
  - (n) Extension of bid validity shall not be allowed without the prior concurrence of the Bank: (i) for the first request for extension if it is longer than eight (8) weeks; and (ii) for all subsequent requests for extensions irrespective of the period.
  - (o) Negotiations shall not be allowed with the lowest evaluated or any other bidders.
  - (p) Re-bidding shall not be carried out without the Bank's prior concurrence.
  - (q) All contractors or suppliers shall provide performance security as indicated in the contract documents. A contractor's or a supplier's performance security shall apply to a specific contract under which it was furnished.
  - (r) A sole bid can be considered if due diligence was observed in advertising the procurement opportunity.
2. **Other Methods of Procurement of Goods, Works and Non-consulting Services.** The following methods, other than National Competitive Bidding, may be used for procurement of goods, works and non-consulting services for those contracts specified in the Procurement Plan: (a) Shopping; and (b) Direct Contracting.
- 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 methods, other than Quality- and Cost-based Selection, may be used for

procurement of consultants' services for those assignments which are specified in the Procurement Plan: (a) Quality-based Selection; (b) Selection under a Fixed Budget; (c) Least Cost Selection; (d) Selection based on Consultants' Qualifications; (e) Single-source Selection of consulting firms; (f) Selection of Individual Consultants; and (g) Single-source procedures for the Selection of Individual Consultants.

**D. Review by the World Bank of Procurement Decisions**

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

**Section IV. 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) this Section; and (c) such additional instructions as the World Bank may 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 World Bank and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the table in paragraph 2 below.
2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Grant ("Category"), the allocations of the amounts of the Grant to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

<b>Category</b>	<b>Amount of the Grant Allocated (expressed in USD)</b>	<b>Percentage of Expenditures to be Financed (inclusive of Taxes)</b>
(1) Goods, works, consultants' services (including audits), non-consulting services, Training and Workshops, and Operating Costs for the Project (except Part C(1) of the	1,882,030	100%

Project)		
(2) Job Vouchers for Part C(1) of the Project	2,867,970	100% amounts disbursed, payable under the respective Job Vouchers
<b>TOTAL AMOUNT</b>	4,750,000	

**B. Withdrawal Conditions; Withdrawal Period**

1. Notwithstanding the provisions of part A of this Section, no withdrawal shall be made:
  - (a) for payments made prior to the date of this Agreement; and
  - (b) under category 2 (Job Vouchers), until and unless the operational module for Job Vouchers included in the POM and referred to in Section I.B.1.(b) of Schedule 2 to this Agreement, has been prepared and adopted in form and substance satisfactory the World Bank.
2. The Closing Date referred to in Section 3.06 (c) of the Standard Conditions is December 30, 2015.

**Section V. Other Undertakings**

The Recipient shall:

1. not later than three (3) months after the effectiveness of this Agreement, establish and thereafter maintain, the Project Management Unit, in accordance with the provisions of Section I.A.4 of Schedule 2 to this Agreement, with staffing, resources, terms of reference, and with substance satisfactory to the World Bank; and
2. not later than three (3) months after the effectiveness of this Agreement, prepare and adopt, a Project Operational Manual, in accordance with the provisions of Section I.B of Schedule 2 to this Agreement in form and substance satisfactory to the World Bank, and thereafter ensure that the Project is carried out in accordance with said manual.

## APPENDIX 1

### Definitions

1. “Anti-Corruption Guidelines” means the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006, and revised in January 2011.
2. “ELE System” means an electronic labor exchange system aiming, *inter alia*, at creating employment matching and online career counseling.
3. “E-TVET Fund” means the Employment, Technical and Vocational Education and Training Fund, an autonomous government agency with independent administration and financial procedures established pursuant to Law no. 46 of 2008, to be responsible for the overall technical implementation of the Project.
4. “Job Voucher Beneficiary” means an eligible unemployed youth (beneficiary) who has been selected and has received employability training of seventy-five (75) hours and enrolled to receive Job Vouchers under the Job Readiness and Placement Program for the purpose of Part C of the Project, on terms and conditions and selection criteria further described in the Project Operational Manual, and “Job Vouchers Beneficiaries” shall mean all such beneficiaries, collectively.
5. “Job Readiness and Placement Program” means a program aiming at encouraging employers and selected unemployed youth to engage in on-the-job training to facilitate job placement through the provision of Job Vouchers as set forth in the POM and referred to in Section I.C of Schedule 2 to this Agreement.
6. “Job Vouchers” means a payment in an amount acceptable to the World Bank, in the form of a non-refundable grant made or to be made by the Recipient to Job Voucher Beneficiaries as referred to in Part C of Schedule 1 to this Agreement and in accordance with the provisions included in the Project Operational Manual, with the aim of increasing access to selected employment services.
7. “MOL” means Recipient’s Ministry of Labor or any successor thereto.
8. “MOPIC” means Recipient’s Ministry of Planning and International Cooperation or any successor thereto.
9. “Operating Costs” means Project related incremental costs incurred by the Project Management Unit on account of communication, translation and interpretation, printing, procurement-related advertising, office supplies, banking charges, local transportation, and other miscellaneous costs directly associated

with Project implementation, subject to prior approval by the World Bank, excluding salaries of the Recipient's civil servants.

10. "Original Grant Agreement" means the grant agreement for the Support to Building Active Labor Market Program Project between the Recipient and the World Bank, dated November 28, 2013 (Grant No. TF016138).
11. "Original Project" means the Project described in the Original Grant Agreement.
12. "Procurement Plan" means the procurement plan dated November 12, 2013, prepared and updated from time to time by the Recipient for the Project in accordance with paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines.
13. "Project Management Unit" means the unit referred to in Section I.A.3. of Schedule 2 to this Agreement.
14. "Project Operational Manual" means the manual satisfactory to the World Bank, to be adopted by the Recipient for the purposes of the Project and referred to in Section I.C of Schedule 2 to this Agreement, as the same may be amended from time to time with the prior written agreement of the World Bank.
15. "Steering Committee" or "SC" means the Transition Fund's decision making body, established in accordance with the procedures set out in the Trust Fund Operations Manual.
16. "Training and Workshops" includes services for the organization of the workshops, training materials and rental of training facilities and equipment, local travel and *per diem* for participants, tuition fees, travel, accommodation and *per diem* of trainers and trainees, printing of documents, communications, and various supplies needed for the workshops.
17. "Transition Fund Operations Manual" means the Manual approved by the Steering Committee, which sets out the detailed procedures applicable to the operation of the Trust Fund, as said Manual may be amended from time to time by the Steering Committee in accordance with procedures set out in the said Manual.
17. "Trustee" means the International Bank for Reconstruction and Development in its capacity as trustee of the Trust Fund.



## **APPENDIX 2**

### **Modifications to the Standard Conditions**

The Standard Conditions are modified as follows:

The first sentence of Section 4.05(a) of the Standard Conditions has been revised as follows:

“If the World Bank or the Steering Committee (as defined in the Grant Agreement) determines or an audit conducted under the FPA (as defined in the Grant Agreement) indicates that an amount of the Grant has been used in a manner inconsistent with any provision of the Grant Agreement, the Standard Conditions, or the FPA, the Recipient shall, upon notice by the World Bank to the Recipient, promptly refund such amount to the World Bank.”