

06-Aug-2021

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Mr. Melchior Lengsfeld  
Executive Director  
Helvetas Swiss Intercooperation  
Weinbergstrasse 22a  
8021 Zürich  
Switzerland

Mr. Remo Gesu  
Director International Programmes  
Helvetas Swiss Intercooperation  
Weinbergstrasse 22a  
8021 Zürich  
Switzerland

***Re: JSDF Grant No. TF0B6143 - Public Information and Awareness Services for  
Vulnerable Communities in Lao PDR Project  
Letter Agreement***

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Dear Sirs:

In response to the request for financial assistance made on behalf of Helvetas Swiss Intercooperation (“Recipient”), I am pleased to inform you that the International Bank for Reconstruction and Development/ International Development Association (“Bank”), acting as administrator of grant funds provided by Japan (“Donor”) under the Japan Social Development Fund (“JSDF”), proposes to extend to the Recipient for the benefit of Lao People’s Democratic Republic (“Member Country”), a grant in an amount not to exceed two million five hundred five thousand and twenty United States Dollars (USD 2,505,020) (“Grant”) on the terms and conditions set forth or referred to in this letter agreement (“Agreement”), which includes the attached Annex, to assist in the financing of the project described in the Annex (“Project”).


This Grant is funded out of the abovementioned trust fund for which the Bank receives periodic contributions from the Donor. In accordance with Section 3.02 of the Standard Conditions (as defined in the Annex to this Agreement), the Bank’s payment obligations in connection with this Agreement are limited to the amount of funds made available to it by the Donor under the abovementioned trust fund, and the Recipient’s right to withdraw the Grant proceeds is subject to the availability of such funds.

The Recipient represents, by confirming its agreement below, that it is authorized to enter into this Agreement and to carry out the Project in accordance with the terms and conditions set forth or referred to in this Agreement.

Please confirm the Recipient's agreement to the foregoing by having an authorized official of the Recipient sign and date this Agreement and returning one duly executed copy to the Bank.

Very truly yours,

**INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT/  
INTERNATIONAL DEVELOPMENT ASSOCIATION**

By   
\_\_\_\_\_  
Mariam J. Sherman  
Country Director

**AGREED:**

**HELVETAS SWISS INTERCOOPERATION**

By:   
\_\_\_\_\_  
Authorized Representative

Name: Melchior Lengsfeld

Title: Executive Director

Date: 19-Aug-2021

Enclosures:

- (1) "International Bank for Reconstruction and Development and International Development Association Standard Conditions for Grant Financing Made by the Bank out of Trust Funds" dated February 25, 2019.
- (2) Disbursement and Financial Information Letter of the same date as this Agreement, together with the "Disbursement Guidelines for Investment Project Financing", dated February 2017.

**Article I**  
**Standard Conditions; Definitions**

- 1.01. **Standard Conditions.** The Standard Conditions (as defined in Section 1.02 below) constitute an integral part of this Agreement.
- 1.02. **Definitions.** 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 Section:
- (a) “Annual Work Plans and Budget” means the plan and budget to be prepared for the Project and agreed with the Bank, on an annual basis as provided for in Section 2.03 (e) of the Annex to this Agreement.
  - (b) “Anti-Corruption Guidelines” means, for purposes of paragraph 2 of the Appendix to the Standard Conditions, the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006, and revised in January, 2011, and as of July 1, 2016.
  - (c) “Category” means a category set forth in the table in Section 3.01 of this Agreement.
  - (d) “Civil Society Organization” and acronym “CSO” each means a legal entity that falls outside the public or for-profit sector, such as nongovernment organizations, not-for-profit media organizations, charitable organizations, faith-based organizations, professional organizations, labor unions, associations of elected local representatives, foundations, and policy development and research institutes, and the Civil Society Organizations” and acronym “CSOs” means the plural thereof.
  - (e) “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated June 30, 2021, as the same may be amended from time to time in accordance with the provisions thereof, which sets out the material measures and actions that the Recipient shall carry out or cause to be carried out to address the potential environmental and social risks and impacts of the Project, including the timeframes of the actions and measures, institutional, staffing, training, monitoring and reporting arrangements, and any environmental and social instruments to be prepared thereunder.
  - (f) “Environmental and Social Standards” or “ESSs” means, collectively: (i) “Environmental and Social Standard 1: Assessment and Management of Environmental and Social Risks and Impacts”; (ii) “Environmental and Social Standard 2: Labor and Working Conditions”; (iii) “Environmental and Social Standard 3: Resource Efficiency and Pollution Prevention and Management”; (iv) “Environmental and Social Standard 4: Community Health and Safety”; (v) “Environmental and Social Standard 5: Land Acquisition, Restrictions

on Land Use and Involuntary Resettlement”; (vi) “Environmental and Social Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources”; (vii) “Environmental and Social Standard 7: Indigenous Peoples/Sub-Saharan Historically Underserved Traditional Local Communities”; (viii) “Environmental and Social Standard 8: Cultural Heritage”; (ix) “Environmental and Social Standard 9: Financial Intermediaries”; and (x) “Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure”; effective on October 1, 2018, as published by the Bank.

- (g) “Incremental Operating Costs” means the reasonable costs, as shall have been approved by the World Bank, for the incremental expenses incurred on account for of Project Implementation, management, monitoring and evaluation, consisting of vehicle operation and maintenance, communication and insurance costs, banking charges, rental expenses, support for information systems, office (and office equipment) maintenance and repairs, expenditures for materials and supplies, utilities, document duplication/printing, interpretation and translation costs, consumables, and travel cost and per diem for Project staff for travel linked to the implementation of the Project, salaries of Helvetas Swiss Intercooperation personnel up to 5% of the Grant Amount (excluding consultants’ services, salaries of the Lao PDR civil service officials, and salaries of personnel from sub-contracting agencies).
- (h) “Land Information Working Group” and acronym “LIWG” each means a network of civil society organizations based in the Member Country’s territory, advocating for natural resources rights issues.
- (i) “Lao Women’s Union” and acronym “LWU” each means women’s organizations established in the Member Country on 20 July 1955.
- (j) “Lao Kip” means the official currency of the Member Country.
- (k) “Ministry of Natural Resources and Environment” and acronym “MONRE” each means the Recipient’s ministry responsible for natural resources and environment, of any successor thereto.
- (l) “Personal Data” means any information relating to an identified or identifiable individual. An identifiable individual is one who can be identified by reasonable means, directly or indirectly, by reference to an attribute or combination of attributes within the data, or combination of the data with other available information. Attributes that can be used to identify an identifiable individual include, but are not limited to, name, identification number, location data, online identifier, metadata and factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of an individual.
- (m) “Procurement Regulations” means, for purposes of paragraph 20 of the Appendix to the Standard Conditions, the “World Bank Procurement Regulations for IPF Borrowers”, dated November 2020.
- (n) “Project Operational Manual” or “POM” means the manual to be adopted by the Recipient pursuant to Section 2.03 (c) of the Annex to this Agreement, as such

manual can be amended from time to time with a prior written approval of the Bank.

- (o) “Sub-Grants Manual” means the manual to be prepared and adopted by the Recipient pursuant to Section 2.03 (d) of the Annex to this Agreement, as such manual can be amended from to time with a prior written approval of the Bank.
- (p) “Standard Conditions” means the “International Bank for Reconstruction and Development and International Development Association Standard Conditions for Grant Financing Made by the Bank out of Trust Funds”, dated February 25, 2019.
- (q) “Sub-grant Agreement” means the agreement to be entered into between the Recipient and the CSO for the purpose of financing a Sub-project; and “Sub-grant Agreements” means collectively, all such Sub-grant Agreements.
- (r) “Sub-Grant” means a grant to be made available by the Recipient out of the proceeds of the Grant to selected CSOs to finance activities to be implemented by such selected CSOs under the Project, and “Sub-Grants” means, collectively, the plural thereof.
- (s) “Sub-project” means a specific set of activities to be carried out by the selected CSOs under the Project, utilizing the proceeds of the Sub-grant, and “Sub-projects” means, collectively, all such Sub-projects.
- (t) “Training” means the reasonable costs associated with training under the Project, and attributable to domestic study tours, training courses, seminars, workshops and other training activities, not included under service providers’ contracts, including costs of training materials, space and equipment rental, travel, accommodation and per diem costs of trainees and trainers, trainers’ fees, and other training related miscellaneous costs.
- (u) “Village Mediation Committee” and acronym “VMC” each means the village mediation units responsible for dispute resolution at the village level through the use of mediation and customary practices.

## **Article II Project Execution**

- 2.01. ***Project Objectives and Description.*** The objective of the Project is to improve access to legal information and counseling services for 15,000 poor and vulnerable persons (of which 60% are women) in selected rural districts to enhance protection and fulfilment of their natural resources and livelihood rights.

The Project consists of the following parts:

### **Part 1: CSO Capacity Building**

Collaborating with MONRE and local branches of mass organizations to provide training to LIWG members to deliver counseling service trainings for village-level paralegal volunteers and public information dissemination and awareness raising for the vulnerable and poorest rural communities. The training will focus on rights related to livelihood

security; use of natural resources and access to justice; and developing new training materials to test innovative approaches to engage with rural communities.

*1.1 Awareness raising capacity building for the LIWG member CSOs*

- (a) Provision of capacity building for local LIWG member CSOs to carry out sub-grant activities related to awareness raising including training of trainers focusing on new land and forestry laws, developing specific training sessions on the inclusion of women, youth and disabled people.
- (b) Carry out an analysis of the existing and relevant capacity building and training materials for the purpose of updating, translating and developing new materials including public awareness activity tools related to natural resource, livelihood and access to justice rights.

*1.2 Counselling service capacity building for the LIWG member CSOs*

- (a) Provision of support in producing, updating and translating general training materials for the purpose of training legal providers on how to offer counseling services related to natural resource rights, livelihood security and related issues.
- (b) Training of trainers to enhance their capacity to conduct training tailored to the local context.

**Part 2. Sub-grants**

Conducting public information dissemination activities and enhancing the capacity of legal counselling services providers, particularly, paralegal volunteers elected by the village community, trained VMC and LWU members and district level lawyers of the legal aid clinics.

*2.1 Public awareness raising of local communities*

Provision of sub-grants to LWIG member CSOs to conduct training and coaching for village-legal focal points and facilitators to strengthen their capacity to deliver community awareness raising activities for local communities in selected target areas.

*2.2 Training and coaching of paralegals on natural resources and livelihood rights*

Provision of sub-grants to sub-grantees to:

- (a) train paralegal volunteers and VMC members at the community level and lawyers at the existing legal aid clinics;
- (b) conduct stakeholder workshops for exchange and peer learning activities;
- (c) enhance digital skills of legal counselling service providers in utilization of online tools and resources for reporting and delivery of services;
- (d) strengthen legal clinics;

- (e) conduct focus group discussions and annual workshops with providers on laws and regulations, and with other representatives on strategy development for legal counseling;
- (f) conduct bi-annual follow-up visits;
- (g) generate data through legal aid services to provide a basis for advocating community-driven improvement to service delivery;
- (h) carry-out outreach activities to educate communities on grassroots justice and policies related to natural resources; and
- (i) produce reports on good practices including lessons learned and sustainability assessment.

### **Part 3: Project Management, Monitoring and Evaluation and Knowledge Dissemination**

#### *3.1 Project Management and Administration*

Provision of technical and operational assistance on the day-to-day execution of the Project including, *inter alia*: planning, execution, financial management, procurement, environmental and social safeguards management, monitoring and evaluation, and audit of the Project.

#### *3.2 Monitoring and Evaluation*

Provision of technical and operational assistance on participatory monitoring and evaluation of the Project.

#### *3.3 Knowledge Dissemination*

Dissemination of knowledge related to outcomes and findings of the Project activities.

2.02. ***Project Execution Generally.*** 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: (a) Article II of the Standard Conditions; (b) the Anti-Corruption Guidelines; and (c) this Article II.

#### 2.03. ***Institutional and Other Arrangements***

##### (a) *Institutional Arrangement*

The Recipient shall:

- (i) maintain, throughout the period of implementation of the Project, a project team within its legally established operating office in the territory of the Member Country, with composition, powers, functions, staffing, facilities and other resources acceptable to the Bank, which shall be responsible, *inter alia*, for the overall day-to-day implementation of the Project, including: (1) preparing annual work plans and budgets; and (2) processing procurement, financial management

and environmental and social impact management, and monitoring and evaluation of the Project; and

- (ii) ensure that the collection, use and processing (including transfers to third parties) of any Personal Data collected under the Project will be done in accordance with the requirements and procedures set forth in the POM, and ensuring legitimate, appropriate and proportionate treatment of such data.

(b) *Sub-grants*

- (i) The Recipient shall make Sub-grants to the selected CSOs in accordance with eligibility criteria and procedures acceptable to the Bank as set out in the Sub-Grant Manual attached to the POM.

- (ii) The Recipient shall make each Sub-grant under a Sub-grant Agreement with the respective CSO on terms and conditions approved by the Bank, which shall include the following:

- (1) The Sub-grant shall be denominated in Lao kip.

- (2) The Recipient shall obtain rights adequate to protect its interests and those of the Bank, including the right to: (i) suspend or terminate the right of the CSO to use the proceeds of the Sub-grant, or obtain a refund of all or any part of the amount of the Sub-grant then withdrawn, upon the CSO's failure to perform any of its obligations under the Sub-grant Agreement; and (ii) require each CSO to: (A) carry out its Sub-project with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, environmental and social standards and practices satisfactory to the Bank, including in accordance with the provisions of the Anti-Corruption Guidelines applicable to recipients of Grant proceeds other than the Recipient; (B) complete Sub-project on or before the Closing Date; (C) provide, promptly as needed, the resources required for the purpose; (D) procure the goods and services to be financed out of the Sub-grants in accordance with the provisions of this Agreement; (E) maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with indicators acceptable to the Bank, the progress of the Sub-project and the achievement of its objectives; (F) (1) maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the Bank, both in a manner adequate to reflect the operations, resources and expenditures related to the Sub-project; and (2) at the Bank's or the Recipient's request, have such financial statements audited by independent auditors acceptable to the Bank, in accordance with consistently applied auditing standards acceptable to the Bank, and promptly furnish the statements as so audited to the Recipient and the Bank; (G) enable the Recipient and the Bank to inspect the Sub-project, its operation and any relevant records and documents; and (H) prepare and furnish to the Recipient and the Bank all such information as the Recipient or the Bank shall reasonably request relating to the foregoing.



- (iii) The Recipient shall ensure that Sub-grants shall only be made to CSOs which each shall have signed a Sub-grant Agreement with the Recipient, on terms and conditions acceptable to the Bank.
- (iv) The Recipient shall exercise its rights under each Sub-grant Agreement in such manner as to protect the interests of the Recipient and the Bank and to accomplish the purposes of the Grant. Except as the Bank shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive any Sub-grant Agreement or any of its provisions.
- (c) *Project Operations Manual.* The Recipient shall ensure that the Project is carried out in accordance with the arrangements and procedures set out in the POM (provided, however, that in the event 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 shall not amend, abrogate or waive any provision of the POM unless the Bank has provided its prior no-objection thereof in writing.
- (d) *Sub-Grant Manual.* In the carrying out of the Sub-project, the Recipient shall:
  - (i) prepare and thereafter adopt a Sub-Grant Manual, in a manner and substance satisfactory to the Bank, which manual, *inter alia*, shall include: the purpose of the sub-grants and sub-grant management structure, selection criteria for CSOs, sub-projects, sub-grants and grantees, the implementation, organizational, administrative, monitoring, and evaluation of sub-grants, and the procurement arrangements of the sub-grants; and
  - (ii) not amend, suspend, abrogate, repeal or waive any provisions of the Sub-Grant Manual without the prior agreement of the Bank.
- (e) *Annual Work Plans and Budgets.* The Recipient shall:
  - (i) furnish to the Bank, not later than November 30 of each Fiscal Year during the implementation of the Project (or such other date as the Bank may agree) for the Bank's no-objection, a consolidated Annual Work Plan and Budget ("AWPB") containing all Project activities and Eligible Expenditures proposed to be included in the Project in the Recipient's following Fiscal Year; and
  - (ii) ensure that the Project is implemented in accordance with the AWPB (provided, however, that in the event of any conflict between the AWPB and the provisions of this Agreement, the provisions of this Agreement shall prevail) and shall provide, promptly as needed, its share of the Project financing as specified in the AWPB.

The Recipient shall not make or allow to be made any change to the AWPB without prior no-objection in writing by the Bank.”

#### 2.04. **Environmental and Social Standards**

- (a) The Recipient shall ensure that the Project is carried out in accordance with the Environmental and Social Standards, in a manner acceptable to the Bank.

- (b) Without limitation upon paragraph (a) above, 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 Bank. To this end, the Recipient shall ensure that:
  - (i) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, and provided in the ESCP;
  - (ii) sufficient funds are available to cover the costs of implementing the ESCP;
  - (iii) 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
  - (iv) 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.
- (c) In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.
- (d) The Recipient shall ensure that:
  - (i) 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: (A) the status of implementation of the ESCP; (B) conditions, if any, which interfere or threaten to interfere with the implementation of the ESCP; and (C) corrective and preventive measures taken or required to be taken to address such conditions; and
  - (ii) 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.
- (e) The Recipient shall establish, publicize, maintain 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.

2.05. ***Project Monitoring, Reporting and Evaluation.***

- (a) The Recipient shall ensure that each Project Report is furnished to the Bank not later than forty-five (45) days after the end of each calendar semester, covering the calendar semester.
- (b) The Recipient shall (a) on or about twenty (20) months after the Effective Date of this Agreement, prepare and furnish to the Bank, a mid-term report, in such detail

as the Bank shall reasonably request, documenting progress achieved in the carrying out of the Project during the period preceding the date of such report, taking into account the monitoring and evaluation activities performed, and setting out the measures recommended to ensure the continued efficient carrying out of the Project and the achievement of its objectives during the period following such date; and (b) review with the Bank such mid-term report, on or about the date forty-five (45) days after its submission, and thereafter take all measures required to ensure the continued efficient implementation of the Project and the achievement of its objectives, based on the conclusions and recommendations of the mid-term report and the Bank's views on the matter.

### **Article III Withdrawal of Grant Proceeds**

3.01. **Eligible Expenditures.** The Recipient may withdraw the proceeds of the Grant in accordance with the provisions of: (a) Article III of the Standard Conditions; and (b) this Section; to finance Eligible Expenditures in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table.

<b>Category</b>	<b>Amount of the Grant Allocated (expressed in USD)</b>	<b>Percentage of Expenditures to be Financed (inclusive of Taxes)</b>
(1) Consultants	488,020	100%
(2) Goods (excluding motor vehicles)	118,500	100%
(3) Incremental Operating Costs	157,200	100%
(4) Training	229,300	100%
(5) Sub-Grants	1,512,000	100%
<b>TOTAL AMOUNT</b>	<b>2,505,020</b>	

3.02. **Withdrawal Conditions.** Notwithstanding the provisions of Section 3.01 of this Agreement, no withdrawal shall be made for:

- (a) payments made prior to the date of this Agreement; and
- (b) payment under category (5) for Sub-Grants until the Sub-Grant Manual has been prepared and adopted by the Recipient.

3.03. **Withdrawal Period.** The Closing Date is July 31, 2024.

**Article IV  
Effectiveness; Termination**

- 4.01. This Agreement shall not become effective until evidence satisfactory to the Bank has been furnished to the Bank that the POM has been duly adopted by the Recipient in form and substance satisfactory to the Bank.
- 4.02. Except as the Recipient and the Bank shall otherwise agree, this Agreement shall enter into effect on the date upon which the Bank dispatches to the Recipient notice of its acceptance of the evidence required pursuant to Section 4.01 (“Effective Date”). If, before the Effective Date, any event has occurred which would have entitled the Bank to suspend the right of the Recipient to make withdrawals from the Grant Account if this Agreement had been effective, the Bank may postpone the dispatch of the notice referred to in this Section until such event (or events) has (or have) ceased to exist.
- 4.03. *Termination for Failure to Become Effective.* This Agreement and all obligations of the parties under it shall terminate if it has not entered into effect by the date ninety (90) days after the date of this Agreement, unless the Bank, after consideration of the reasons for the delay, establishes a later date for the purpose of this Section. The Bank shall promptly notify the Recipient of such later date.

**Article V  
Recipient’s Representative; Addresses**

- 5.01. *Recipient’s Representative.* The Recipient’s Representative referred to in Section 7.02 of the Standard Conditions is Director at Headquarters.
- 5.02. *Recipient’s Address.* For purposes of Section 7.01 of the Standard Conditions:
- (a) the Recipient’s Address is:
- Helvetas Laos  
P.O Box 6367, House no. 143  
Ban Phonthan Neua, Unit 15, Rue Phonthan  
01000 Vientiane Capital  
Loa PDR; and
- (b) the Recipient’s Electronic Address is:
- |                 |  |
|-----------------|--|
| Telephone:      | E-mail:  |
| +856 21 263 189 | <a href="mailto:laos@helvetas.org">laos@helvetas.org</a> |

5.03. **Bank's Address.** For purposes of Section 7.01 of the Standard Conditions:

- (a) the Bank's address is:

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

- (b) the Bank's Electronic Address is:

Telex:	Facsimile:	E-mail:
248423 (MCI) or 64145 (MCI)]	1-202-477-6391	<a href="mailto:laopdr@worldbank.org">laopdr@worldbank.org</a>