

The World BankINTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION1818 H Street N.W.
Washington, D.C. 20433
U.S.A.(202) 473-1000
Cable Address: INTBAFRAD
Cable Address: INDEVAS

September 23, 2010

CONFORMED COPY

Mr. Hermes Binner
Governor of the Province of Santa Fe
Calle 3 de Febrero 2649
3000 Santa Fe
Argentina

Re: ARGENTINA: IDF Grant for Improving Transparency & Accountability in the
Province of Santa Fe Project
IDF Grant No. TF097750

Dear Sir:

In response to the request for financial assistance made on behalf of the Province of Santa Fe (“Recipient”), I am pleased to inform you that the International Bank for Reconstruction and Development (“World Bank”) proposes to extend to the Recipient, for the benefit of the Argentine Republic (“Member Country”), a grant from the World Bank’s Institutional Development Fund (“IDF”) in an amount not to exceed three hundred and eighty-five thousand United States Dollars (U.S.\$ 385,000) (“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”).

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 the enclosed copy of this Agreement, and returning it to the World Bank.

Upon receipt by the World Bank of this countersigned copy, this Agreement shall become effective as of the date of the countersignature; provided, however, that the offer of this Agreement shall be deemed withdrawn if the World Bank has not received the countersigned copy of this Agreement within 90 days after the date of signature of this Agreement by the World Bank, unless the World Bank shall have established a later date for such purpose.

Very truly yours,

**INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT**

By /s/ Penelope Brook
Country Director
Argentina, Paraguay and Uruguay
Latin America and the Caribbean Region

AGREED:

PROVINCE OF SANTA FE

By: /s/ Hermes Binner
Authorized Representative

Title: Governor of the Province of Santa Fe

Date: December 17, 2010

Enclosures:

- (1) Standard Conditions for Grants Made by the World Bank Out of Various Funds, dated July 31, 2010.
- (2) Disbursement Letter dated of even date herewith, together with World Bank Disbursement Guidelines for Projects, dated May 1, 2006.

Article I**Standard Conditions; Definitions**

1.01. **Standard Conditions.** The Standard Conditions for Grants Made by the World Bank Out of Various Funds dated July 31, 2010 (“Standard Conditions”) 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 Agreement.

For purposes of this Annex, the following terms have the following meanings:

(a) “Access to Information Decree” means the Recipient’s Decree No. 692/09, dated April 28, 2009 that governs the access to public information in the Province of Santa Fe.

(b) “Access to Information Liaison Units” means the units established within each of the Recipient’s ministries to serve as a link with the APSTD (as defined below), pursuant to Article 31 of the Access to Information Decree.

(c) “APSTD” means *Dirección Provincial de Anticorrupción y Transparencia del Sector Público*, the Recipient’s Anticorruption and Public Sector Transparency Directorate, established within the MoJ (as defined below) pursuant to Decree No. 1,882/08 dated August 11, 2008.

(d) “ICT” means information and communication technologies.

(e) “MoJ” means *Ministerio de Justicia y Derechos Humanos*, the Recipient’s Ministry of Justice and Human Rights, established pursuant to Law No. 12,817 dated November 29, 2007.

(f) “PAO” means *Archivo General de la Provincia*, the Recipient’s Provincial Archives Office, established pursuant to Law No. 5516, dated November 30, 1961.

Article II
Project Execution

2.01. **Project Objectives and Description.** The objective of the Project is to improve transparency and accountability in the Province of Santa Fe by supporting the implementation of the Access to Information Decree. The Project consists of the following parts:

Part 1: Strengthening of the APSTD Oversight Role

(a) Fostering peer knowledge-sharing of good practices on access to information, through: (i) the implementation of knowledge exchanges between the Recipient’s public officials involved in the implementation of the Access to Information Decree and public officials in charge of

the oversight and/or implementation of the access to information regime in selected jurisdictions; and (ii) the execution of study tours to selected countries for first-hand observation of good practices in the implementation of the access to information regime.

(b) Carrying out of an integral redesign of the APSTD's website, including its content and visual identity.

(c) Promoting knowledge-exchange on access to information through seminars and other face-to-face and virtual meetings, aimed at: (i) exchanging good practices on the implementation of access to information legislation and transparency programs; and (ii) fostering the linkages between academia and practitioners working on access to information.

Part 2: Development of ICT Platforms for Handling Information Requests and Promotion of Proactive Transparency

(a) Carrying out of an analysis on the procedures for handling access to information requests including, *inter alia*: (i) the drafting of a detailed assessment report on the Access to Information Decree requirements and existing good practices at the national and international levels; and (ii) the design of a flow diagram specifying inputs and outputs, as well as the definition of user profiles and follow-up mechanisms.

(b) Developing, testing and launching of an electronic platform for processing access to information requests, based on the analysis referred to in (a) -above.

(c) Redesigning and launching of APSTD's website (including its overall content and visual identity) for the proactive disclosure of public information in accordance with Chapter IV of the Access to Information Decree.

Part 3: Development and Testing of a Tracking and Reporting System to Facilitate Monitoring of Implementation

(a) Designing and implementing a tracking and reporting system to verify compliance with the Access to Information regime by public authorities including, *inter alia*: (i) the definition of performance indicators and reporting procedures; and (ii) the provision of training to APSTD's staff on the operation of said system and to ATI Liaison Units on compliance with the reporting system.

(b) Providing technical assistance to: (i) assist the Recipient in defining concepts such as transparency and institutional quality within its governance framework; and (ii) developing an assessment tool for measuring the concepts named in (i) above, including, *inter alia*, an assessment methodology and the development of a transparency and institutional quality index.

(c) Developing a monitoring mechanism for tracking compliance with Article 3 of the Access to Information Decree by recipients of provincial and/or municipal subsidies, funds or contributions.

(d) Designing and implementing a protocol and a procedures manual for processing complaints for non-compliance with the Access to Information Decree including, *inter alia*, the responsibilities, competencies and deadlines for managing complaints by APSTD.

Part 4: Strengthening the Sub-national Network of Access to Information Officials and Experts

(a) Strengthening the provincial network of Access to Information Liaison Units, through: (i) the setting up of an electronic system to facilitate the operations and activities of the Access to Information Liaison Units; (ii) the design of a common job profile and a career development program for the Access to Information Liaison Units' officials; (iii) the development of a work plan and a governance mechanism; and (iv) the development of a pilot program in coordination with PAO for assisting Access to Information Liaison Units in complying with the Access to Information Decree.

(b) Designing and delivering a training program on the use of ICT for the effective implementation of the right of access to information, addressed to Access to Information Liaison Units' officials and a selected group of trainers.

Part 5: Carrying out of Independent Audits

Carrying out of an independent audit of the Project.

2.02. ***Project Execution Generally.*** The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall carry out the Project through MoJ in accordance with the provisions of: (a) Article II of the Standard Conditions; (b) the "Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants", dated October 15, 2006 ("Anti-Corruption Guidelines"), with the modifications set forth in the Appendix to this Agreement; and (c) this Article II.

2.03. ***Project Monitoring, Reporting and Evaluation.*** (a) 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 the indicators set forth below in paragraph (b) of this Section. Each Project Report shall cover the period of one calendar semester and shall be furnished to the World Bank not later than forty-five days after the end of the period covered by such report.

(b) The performance indicators referred to in paragraph (a) of this Section consist of the following:

- (i) At least one hundred and fifty (150) visits per month to the APSTD website.
- (ii) At least one hundred (100) information requests submitted to the electronic platform per month.
- (iii) At least two (2) annual reports generated by the tracking and reporting system.
- (iv) At least two (2) meetings of the network of Access to Information Liaison Units' officials and experts carried out per year.

(c) The Recipient shall, upon the World Bank's request, 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 five months after the Closing Date.

2.04. **Financial Management.** (a) The Recipient shall ensure that a financial management system is maintained in accordance with the provisions of Section 2.07 of the Standard Conditions.

(b) 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 days after the end of each calendar semester, covering the semester, in form and substance satisfactory to the World Bank.

(c) The Recipient shall have its Financial Statements 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 fiscal year of the Recipient. The audited Financial Statements for each such period shall be furnished to the World Bank not later than six months after the end of such period.

2.05. **Procurement**

(a) General. All goods and 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:

- (i) Section I (excluding paragraph 1.16) of the “Guidelines: Procurement under IBRD Loans and IDA Credits” published by the World Bank in May 2004 and revised in October 2006 and May 2010 (“Procurement Guidelines”), in the case of goods; and
- (ii) Sections I (excluding paragraph 1.24) and IV of the “Guidelines: Selection and Employment of Consultants by World Bank Borrowers” published by the World Bank in May 2004 and revised in October 2006 and May 2010 (“Consultant Guidelines”) in the case of consultants’ services.

(b) Definitions. The capitalized terms used in the following paragraphs of 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 the Procurement Guidelines, or the Consultant Guidelines, as the case may be.

(c) Particular Methods of Procurement of Goods. Goods shall be procured under contracts awarded on the basis of Shopping.

(d) Particular Methods of Procurement of Consultants’ Services

- (i) Except as otherwise provided in item (ii) below, consultants’ services shall be procured under contracts awarded on the basis of Least Cost Selection.
- (ii) The following methods may be used for the procurement of consultants’ services for those assignments which the World Bank agrees meet the requirements set forth in the Consultant Guidelines for their use: (A) Quality-based Selection; (B) Selection under a Fixed Budget; (C) Quality and Cost based Selection; (D) Selection based on Consultants’ Qualifications; (E) Single-source Selection; (F) Established Private or

Commercial Practices which have been found acceptable to the World Bank; (G) Selection of Service Delivery Contractors which have been found acceptable to the World Bank; (H) Selection of Individual Consultants; and (I) Sole Source Procedures for the Selection of Individual Consultants.

(e) Review by the World Bank of Procurement Decisions. Except as the World Bank shall otherwise determine by notice to the Recipient, the following contracts shall be subject to Prior Review by the World Bank: (a) each contract for goods estimated to cost the equivalent of \$50,000 or more; (b) each contract for consultants' services provided by an individual consultant estimated to cost the equivalent of \$25,000 or more; and (c) each contract for employment of firms procured under Single Source Selection and for employment of individual consultants procured under Sole Source procedures. All other contracts shall be subject to Post Review by the World Bank.

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; (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 following table. The 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:

<u>Category</u>	Amount of the Grant Allocated (expressed in USD)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Consultants' services	250,500	100%
(2) Training and Workshops	90,500	100%
(3) Goods	44,000	100%
TOTAL AMOUNT	385,000	

For purposes of this Section, "Training and Workshops" means expenditures (other than those for consultants' services) to finance the reasonable cost of meeting rooms, publications, travel (including study tours) and meals of attendees of training events organized under the Project.

3.02. ***Withdrawal Conditions.*** Notwithstanding the provisions of Section 3.01 of this Agreement, no withdrawal shall be made for payments made prior to the date of countersignature of this Agreement by the Recipient.

3.03. **Withdrawal Period.** The Closing Date referred to in Section 3.06 (c) of the Standard Conditions is three years after the date of countersignature of this Agreement by the Recipient.

Article IV Additional Legal Matters

4.01. The Additional Legal Matter consists of the following, namely, that this Agreement has been duly authorized or ratified by the Recipient and is legally binding upon it in accordance with its terms.

Article V Termination

5.01 **Termination for Lack of Implementation or Disbursement.** This Agreement shall terminate if the Recipient shall have failed to either enter into a consultant contract under the Project or to submit to the World Bank a withdrawal application for grant proceeds before April 7, 2011, unless the World Bank, after consideration of the reasons for the delay, establishes a later date for the purpose of this Section. The World Bank shall promptly notify the Recipient of such later date.

Article VI Recipient's Representative; Addresses

6.01. **Recipient's Representative.** The Recipient's Representative referred to in Section 7.02 of the Standard Conditions is its Governor.

6.02. **Recipient's Address.** The Recipient's Address referred to in Section 7.01 of the Standard Conditions is:

Dirección Provincial de Anticorrupción y Transparencia del Sector Público
Ministerio de Justicia y Derechos Humanos
de la Provincia de Santa Fe - Republica Argentina
Salta 2483 - CP. 3000 - Santa Fe - Provincia de Santa Fe – Argentina

Tel/Fax Santa Fe +54-0342-4572444 / 4619911

Tel/Fax Rosario +54-0341-4721771

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

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

Cable:

Telex:

Facsimile:

INTBAFRAD
Washington, D.C.

248423 (MCI) or
64145

1-202-477-6391

(MCI)

APPENDIX

Modifications to the Anti-Corruption Guidelines

Section I. 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.”