

The World Bank

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

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CONFORMED COPY

September 9, 2010

The Honorable Abdou Kolley,
Minister of Finance and Economic Affairs
Ministry of Finance and Economic Affairs
The Quadrangle
Banjul
Republic of The Gambia

**Re: The Gambia Rapid Response Nutrition Security Improvement
Project - (TF097662)**

Honorable Minister:

In response to the request for financial assistance made on behalf of the Republic of Gambia ("Recipient"), I am pleased to inform you that the International Bank for Reconstruction and Development ("World Bank"), acting as administrator of grant funds provided by multiple donors under the Rapid Social Response Multi-Donor Trust Fund (RSR-MDTF) (TF071370), proposes to extend to the Recipient, a grant in an amount not to exceed three million United States Dollars (US\$ 3,000,000.00) ("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 World Bank receives periodic contributions. In accordance with Section 3.02 of the Standard Conditions (as defined in the Annex to this Agreement), the Recipient may withdraw the Grant proceeds 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 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 specified by the World Bank in accordance with Section 4.01 of the Annex to this Agreement; provided, however, that the offer of this Agreement shall be deemed withdrawn if the World Bank has not received the countersigned copy of this Agreement within 30 days after the date of signature of this Agreement by the World Bank,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
(in its capacity as administrator of the Rapid Social Response Multi-Donor Trust Fund)

/s/ Habib Fetini
Country Director for The Gambia
Africa Region

AGREED:
REPUBLIC OF THE GAMBIA

By /s/ Abdou Kolley
Title Minister of Finance
Date: September 9, 2010

Enclosures:

- (1) Standard Conditions for Grants Made by the World Bank Out of Various Funds, dated July 31, 2010
- (2) Disbursement Letter dated September 9, 2010, 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.
- (a) “Agency Board” means a technical board responsible for overseeing and managing the NaNA.
 - (b) “Anti-corruption Guidelines” has the meaning given to such term in Section 2.02 hereof.
 - (c) “Community Health Nurse” or “CHN” means a community nurse responsible for health promotion in local communities under the hierarchy of RHT.
 - (d) “IAPSO” means the Inter-Agency Procurement Services Organization.
 - (e) “Local Area Council” means the Government representation at the regional level which consists of an elected Councilor from each ward (the administrative unit under the level of the region).
 - (f) “NaNA” means the National Nutrition Agency of the Recipient which has the mandate of coordinating nutrition related operations under the Recipient’s Office of the Vice President in The Gambia.
 - (g) “NFO” means a Nutritional Field Officer who is the regional representative of NaNA in each of the six health regions of The Gambia.
 - (h) “Regional Health Team” or “RHT” means a regional implementing team of all preventive and curative programs established under the Ministry of Health of the Recipient.
 - (i) “UNICEF” means the United Nations International Children's Emergency Fund.
 - (j) “Village Development Committee” or “VDC” means a village-level committee consisting of, inter alia, male and female representatives of each clan, of community-based organizations, youth representatives and other co-opted

members, whose role is to identify, prioritize and implement local development needs in consultation with the local community.

- (k) “Village Support Group” or “VSG” means a group of community volunteers, including, inter alia, village health workers and traditional birth attendants, selected by their community to promote Part 1 of the Project.
- (l) “Waste Management Plan” means the waste management to be elaborated in accordance with Section 4.
- (m) “WHO” means the World Health Organization.

Article II Project Execution

2.01. ***Project Objectives and Description.*** The objective of the Project is to (i) promote healthy behaviors for maternal nutrition and child growth; and (ii) improve access to selected therapeutic and preventive public health nutrition services to vulnerable populations, in particular children under five and pregnant and lactating women in poor rural areas.

The Project consists of the following parts:

Part A: Capacity strengthening for Program Management and Nutrition Surveillance

- (a) Strengthening the capacity of the NaNA for Project management, through the provision of training, and expansion of key technical capabilities such as financial management and the expansion of the monitoring and evaluation system of the Project.
- (b) Capacity building of targeted communities to prevent and manage malnutrition through the provision of technical assistance.
- (c) Strengthening of the Recipient’s nutritional monitoring and policy implementation capacity through the (i) carrying out of a national nutrition survey; (ii) strengthening of the national nutrition surveillance system; (iii) development of a nutrition-relevant data bank for real-time representative data; (iv) improvement of the communication between the regional and central levels; (v) enhancement of web based information; and (vi) training in and application of nutrition advocacy tools.

Part B: Community Maternal and Child Nutrition

- (a) Carrying out of a program of training for Village Development Committees (VDCs) on initiating community-wide nutrition activities through the establishment of Village Support Groups (VSG).
- (b) Delivery, through village-level community volunteers established as VSGs, of comprehensive nutrition and health education activities, including (i) the implementation of a behavioral change communication strategy focused on infant and young child regarding improved feeding practices, disease prevention and treatment, environmental and corporal hygiene, (ii) the provision of complementary health services such as mother counseling, infant growth monitoring, delivery of vitamin supplements, pre-and post-natal and care, and (iii)

construction of community sheds in rice fields for children to rest and mothers to breastfeed.

Part C: Community Integrated Anemia Control

- (a) Carrying out of a program of training for VDCs, CHNs and VSGs on iron deficiency anemia and the distribution of micronutrients.
- (b) Implementation of a program of activities to combat micronutrient deficiencies in women and children, including, (i) malaria-prevention activities, such as the promotion and distribution of insecticide treated bed nets (ii) a campaign promoting early detection of pregnancy and anemia, (iii) provision of iron/folate supplements for pregnant women and multi-micro-nutrient powders for young children; (iv) deworming, environmental sanitation and promotion of community gardens for dietary diversification.

2.02. ***Project Execution Generally.***

- (a) The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall implement the Project through its National Nutrition Agency (NaNA) 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 Section I of the Appendix to this Agreement.
- (b) The Recipient shall prepare under terms of reference acceptable to the World Bank and not later than December 15 in each calendar year, furnish to the World Bank for its approval a program of activities proposed to be included under the Project during the following calendar year, together with a timetable and budget for implementation of such activities. Thereafter, the Recipient shall carry out during such following year, such program of activities, and in accordance with such timetable as shall have been approved by the World Bank. Only activities included in an annual program of activities approved by the World Bank shall be eligible for inclusion in the Project.

2.03. ***Institutional and Other Arrangements.*** The Recipient shall:

- (a) maintain or cause to be maintained, throughout Project implementation, the following bodies, with staffing, functions and resources satisfactory to the World Bank:
 - (i) NaNA to be responsible for general Project implementation and the financial management and procurement aspects of the Project, all under the supervision of the Agency Board;
 - (ii) The Agency Board with public and the private sector representatives which shall meet quarterly and approve the annual work plans submitted by NaNA;
 - (iii) NFOs stationed in each of the sixth health regions of the Recipient which act as NaNA’s regional representatives for Project implementation; and

- (iv) RHT located in each of the sixth health regions of the Recipient and responsible for day to day implementation of Part A and B of the Project.
- (b) implement the Project in accordance with the Project Implementation Manual and the Waste Management Plan updated pursuant to sub-clause (d) below, and except as the Recipient and the World Bank shall otherwise agree in writing, the Recipient shall not amend or waive any provision of the Project Implementation Manual or of the updated Waste Management Plan; provided that if any provision of the Project Implementation Manual or the Waste Management Plan is inconsistent with any provision of this Agreement, the provisions of this Agreement shall govern;
- (c) not later than 3 months after the Effective Date, recruit external auditors for the Project, pursuant to terms of reference acceptable to the World Bank and set up the necessary accounting software for the Project; and
- (d) not later than 3 months after the Effective Date, NaNA will elaborate a Waste Management plan for the Project in form and substance satisfactory to the Association.

2.04. ***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 one month after the end of the period covered by such report.

- (b) The performance indicators referred to above in paragraph (a) consist of the following:
 - (i) Percentage (old/new) of mothers targeted providing exclusive breastfeeding to children under six months;
 - (ii) Percentage of post partum women targeted receiving vitamin A within eight weeks of delivery; and
 - (iii) Number of communities implementing community nutrition activities.
- (c) 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 months after the Closing Date. In order to assist the Recipient in preparing the Completion Report, the Recipient shall employ consultants whose qualifications, experience and terms of reference are acceptable to the World Bank in accordance with the provisions of Section 2.06 of this Agreement.

2.05 **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 45 days after the end of each calendar quarter, covering the quarter, 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 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.

2.06. **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 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; and
 - (iii) the provisions of this Section, 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 1.16 of the Procurement Guidelines and paragraph 1.24 of the Consultant Guidelines (“Procurement Plan”).
- (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
 - (i) Except as otherwise provided in sub-paragraph (ii) below, goods shall be procured under contracts awarded on the basis of International Competitive Bidding subject to the following additional procedures:
 - (ii) The following methods, other than International Competitive Bidding, may be used for procurement of goods for those contracts specified in the Procurement Plan which the Bank agrees meet the requirements set forth in the Procurement Guidelines for their use: (A) Limited International

Bidding; (B) National Competitive Bidding, (C) Shopping and (D) Procurement from UNICEF or IAPSO.

- (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 Quality- and Cost-based Selection.
- (ii) The following methods may be used for the procurement of consultants' services for those assignments which are specified in the Procurement Plan which the 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) Least Cost 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. 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.

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) 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. 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:

Category	Amount of the Grant Allocated (expressed in USD)	Percentage of Expenditures to be Financed (inclusive of Taxes)
Goods, consultants' services, Training and Operating Costs	3,000,000	100%
TOTAL AMOUNT	3,000,000	

For purposes of this paragraph:

- (a) “Training” means reasonable non-consultant expenditures incurred by the Recipient to finance training activities including: transportation costs of trainers and trainees, accommodations and per diem for trainers and trainees, rental of training facilities; acquisition of training materials, and leasing of workshop equipment; and
- (b) “Operating Costs” represents the amounts payable to the Recipient on account of its management of the Project to compensate the Recipient for actual expenses incurred by the Recipient during the implementation of the Project, and consisting of overheads, including office costs, procurement and accountability services, monitoring, project management and technical support directly related to the activities, as agreed between the World Bank and the Recipient based on a budget estimating such expenses and based on a cost-sharing formula acceptable to the World Bank.

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 December 31, 2012.

Article IV Effectiveness

4.01. The conditions of effectiveness of the Grant are:

- (a) NaNA has recruited the following qualified staff in accordance with the terms of Section 2.06 of this Annex: (i) a procurement specialist, and (ii) a financial management specialist; and
- (b) The Recipient has adopted a financial management manual in form and substance satisfactory to the World Bank.

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 the Recipient Minister in charge of finance.

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

Ministry of Finance and Economic Affairs
The Quadrangle
Banjul, The Gambia

Facsimile:
4227954

5.03. *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 (MCI)

1-202-477-6391

APPENDIX
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.”