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EU GRANT NUMBER TF0B1487

# Project Agreement

(Additional Financing - Energy Efficiency and Renewable Energy Project)

between

**INTERNATIONAL DEVELOPMENT ASSOCIATION**  
acting as administrator of the European Commission - World Bank Partnership  
Programme Part III for Europe and Central Asia Programmatic Single-Donor  
Trust Fund - Kosovo Energy Efficiency Fund – KEEF Activities

and

**KOSOVO ENERGY EFFICIENCY FUND**

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**PROJECT AGREEMENT**

Agreement between INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association” or “World Bank”), acting as administrator of the European Commission - World Bank Partnership Programme Part III for Europe and Central Asia Programmatic Single-Donor Trust Fund - Kosovo Energy Efficiency Fund – KEEF Activities, and KOSOVO ENERGY EFFICIENCY FUND (“Project Implementing Entity” or “KEEF”) (“Project Agreement”) in connection with the Grant Agreement (“Grant Agreement”) of the Signature Date between the REPUBLIC OF KOSOVO (“Recipient”) and the Association, concerning EU Grant No. TF0B1487. The Association and the Project Implementing Entity hereby agree as follows:

**ARTICLE I — STANDARD CONDITIONS; DEFINITIONS**

- 1.01. The Standard Conditions (as defined in the Appendix to the Grant Agreement) apply to and form 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 Grant Agreement or the Standard Conditions.

**ARTICLE II — PROJECT**

- 2.01. The Project Implementing Entity declares its commitment to the objective of the Project. To this end, the Project Implementing Entity shall carry out Part 1 (b) of the Project in accordance with the provisions of Article II of the Standard Conditions and the Schedule to this Agreement.

**ARTICLE III — REPRESENTATIVE; ADDRESSES**

- 3.01. The Project Implementing Entity’s Representative is its Managing Director.
- 3.02. For purposes of Section III of the Schedule to this Agreement:
  - (a) the Association’s address is:

International Development Association  
1818 H Street, NW  
Washington, DC 20433  
United States of America; and

(b) the Association's Electronic Address is:

Telex:	Facsimile:
248423(MCI) or	1-202-477-6391

3.03. For purposes of Section III of the Schedule to this Agreement:

(a) the Project Implementing Entity's address is:

Kosovo Energy Efficiency Fund  
Former Ljubjana building, 7<sup>th</sup> floor  
10000 Prishtina  
Republic of Kosovo

(b) the Project Implementing Entity's Electronic Address is:

Email:

[info@fkee-rks.net](mailto:info@fkee-rks.net)  
[admir.shala@fkee-rks.net](mailto:admir.shala@fkee-rks.net)

AGREED, as of the latest of the two dates written below.

**INTERNATIONAL DEVELOPMENT  
ASSOCIATION  
acting as an administrator of the European  
Commission - World Bank Partnership Programme  
Part III for Europe and Central Asia Programmatic  
Single-Donor Trust Fund - Kosovo Energy Efficiency  
Fund – KEEF Activities**

By

*Linda Van Gelder*

\_\_\_\_\_  
Authorized Representative

Name: Linda van Gelder

Title: Country Director

Date: 02-Apr-2020

**KOSOVO ENERGY EFFICIENCY FUND**

By

*Admir Shala*

\_\_\_\_\_  
Authorized Representative

Name: Admir Shala

Title: Managing Director

Date: 03-Apr-2020

## **SCHEDULE**

### **Execution of the Project Implementing Entity's Respective Parts of the Project**

#### **Section I. Implementation Arrangements**

##### **A. Institutional Arrangements**

1. Without limitation to the provisions of Article II of the Standard Conditions, and except as the Association otherwise agrees, the Project Implementing Entity shall provide, throughout Project implementation, as promptly as needed, funds, facilities, adequate staffing with appropriate qualifications and terms of reference, and other resources, all acceptable to the Association, that are (a) required for the successful implementation, management, monitoring and evaluation of Part 1 (b) of the Project, and (b) necessary or appropriate to enable the Project Implementing Entity to perform all of the obligations of the Project Implementing Entity set forth under the Grant Agreement, this Agreement, and the Subsidiary Agreement, and in accordance with the requirements set forth or referred to in the Grant Agreement (with emphasis to those set forth in Schedule 2 of the Grant Agreement) and the KEEF Project Operations Manual acceptable to the Bank; the Project Implementing Entity shall not take or permit to be taken any action that would prevent or interfere with such performance.
2. The Project Implementing Entity shall maintain adequate policies and procedures to enable it to carry out the responsibilities in Section A.1 of this Schedule in a manner that protects the interests of the Recipient, the Bank and the Trust Fund, and shall not take or concur with any action that would have the effect of amending, suspending, assigning, abrogating or waiving this Agreement, the Subsidiary Agreement or the KEEF Operations Manual, or any provisions thereof, without the prior written approval of the Bank.

##### **B. Subsidiary Agreement**

1. To facilitate the carrying out Part 1 (b) of the Project, the Project Implementing Entity shall:
  - (a) enter into the Subsidiary Agreement with the Recipient; and
  - (b) exercise its rights under the Subsidiary Agreement in such manner as to protect the interests of the Recipient and the World Bank and to accomplish the purposes of the Grant.

2. Except as the World Bank shall otherwise agree, the Project Implementing Entity shall not assign, amend, abrogate or waive the Subsidiary Agreement or any of its provisions.

**C. Anti-Corruption**

The Project Implementing Entity shall ensure that the Project activities that it and its contractors and/or consultants implement, and that are financed in whole or in part by the Grant proceeds, are carried out in accordance with the provisions of the Anti-Corruption Guidelines.

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

**A. Financial Management; Financial Reports; Audits**

1. The Project Implementing Entity shall 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 and financial condition of the Project Implementing Entity, including the operations, resources and expenditures related to the Project.
2. The Project Implementing Entity shall ensure, for the purposes of Section 2.07 of the Standard Conditions, that interim unaudited financial reports for Project activities for which it is responsible under this Agreement and the Subsidiary Agreement are prepared and furnished to the 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 Project Implementing Entity shall have the Financial Statements, for Project activities for which it is responsible under this Agreement and the Subsidiary Agreement, 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. 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.

**Section III. Other Undertakings**

**A. Notices and Requests**

Any notice (or request) pursuant to the Project Agreement shall be in writing. Such notice (or request) shall be deemed to have been duly given (or made) when it has been delivered by hand or by mail, telex or facsimile (or, if permitted under the Project Agreement, by other electronic means) to the party to which such notice (or request) is directed (“Addressee”), at the address specified in the Project

Agreement for the purpose (or at such other address as the Addressee shall have designated by notice to the party giving such notice or making such request) (“Address”). Deliveries made by facsimile transmission shall also be confirmed by mail.

## **APPENDIX**

### **DEFINITION**

1. “Project Implementing Entity’s Representative” means the representative designated by the Project Implementing Entity in the Project Agreement or authorized in writing by such representative for the purpose of taking any action required or permitted to be taken pursuant to the Project Agreement, and execute any documents required or permitted to be executed pursuant to the Project Agreement on behalf of the Project Implementing Entity.