

CONFORMED COPY

GRANT NUMBER TF097134-BD

Grant Agreement

**(Strengthening Public Expenditure Management Program --
Strengthening Parliamentary Oversight Project)**

between

PEOPLE'S REPUBLIC OF BANGLADESH

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

**(acting as administrator of the Multi-Donor Trust Fund for Strengthening Public
Expenditure Management Program)**

Dated August 29, 2010

GRANT NUMBER TF097134-BD

GRANT AGREEMENT

AGREEMENT dated August 29, 2010, entered into between: PEOPLE'S REPUBLIC OF BANGLADESH ("Recipient"); and INTERNATIONAL DEVELOPMENT ASSOCIATION ("World Bank"), acting as administrator of the Multi-Donor Trust Fund for Strengthening Public Expenditure Management Program in Bangladesh.

The Recipient and the World Bank hereby agree as follows:

**Article I
Standard Conditions; Definitions**

- 1.01. The Standard Conditions for Grants Made by the World Bank Out of Various Funds, dated July 1, 2008, ("Standard Conditions") 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 the Appendix 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 through the PMCU of the Parliament Secretariat, 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 five million United States Dollars (\$5,000,000) ("Grant") to assist in financing the Project.

- 3.02. The Recipient may 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 abovementioned trust fund for which the World Bank receives periodic contributions. In accordance with Section 3.02 of the Standard Conditions, the Recipient may withdraw the Grant proceeds 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 Secretary, or the Additional Secretary, or any Joint Secretary, or Deputy Secretary or Senior Assistant Secretary or Assistant Secretary or Joint Chief, or Deputy Chief or Senior Assistant Chief or Assistant Chief of the Economic Relations Division of the Ministry of Finance.

- 4.02. The Recipient's Address is:

Economic Relations Division
Ministry of Finance
Government of the People's Republic of Bangladesh
Sher-e-Bangla Nagar
Dhaka, Bangladesh

Facsimile:

88-02-8113088

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

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

Cable:

Telex:

Facsimile:

INDEVAS
Washington, D.C.

248423 (MCI) or
64145 (MCI)

1-202-477-6391

AGREED at Dhaka, People's Republic of Bangladesh, as of the day and year first above written.

PEOPLE'S REPUBLIC OF BANGLADESH

By: /s/ M. Musharraf Hossain Bhuiyan

Authorized Representative

INTERNATIONAL DEVELOPMENT ASSOCIATION
(acting as administrator of the Multi-Donor Trust Fund for
Strengthening Public Expenditure Management Program)

By: /s/ Ellen Bernstein

Authorized Representative

SCHEDULE 1

Project Description

The objectives of the Project are to strengthen and institutionalize the Parliament Secretariat support system, improve quality and efficiency of legislative oversight on use of public funds and enhance public access to information about the parliamentary financial oversight committees.

The Project consists of the following parts:

Part A: Improving Capacity of Parliament's Financial Oversight Function

A.1 *Strengthening Financial Oversight Committees*

Provision of capacity-building support to the three financial oversight committees of Parliament i.e. (i) Public Accounts Committee; (ii) Public Undertakings Committee and (iii) Estimates Committee to increase their efficiency and effectiveness including *inter alia*: (a) providing short courses, policy notes, and briefing papers to the Chairs and Members of the three financial oversight committees to improve the operations of the committees; (b) developing and applying performance benchmarks and a performance monitoring system to assess the committees' performance; (c) organizing study tours, seminars, workshops and knowledge-sharing activities for the Chairs and Members of the committees to expose them to international best practices relating to parliamentary oversight of public finances; (d) assisting the committees to review laws and government policies in order to identify legal and policy impediments to the efficient functioning of the committees and (e) organizing a regional conference of public accounts committees and supreme audit institutions to support the Recipient's efforts to foster the creation of a South Asian Association of Public Accounts Committee (SAAPAC) and actively participating in knowledge sharing events and activities with the South Asian Community of Practice for Legislative Oversight (LOCOP).

A.2 *Enhancing the Effectiveness and Sustainability of Secretariat Support to Parliamentary Financial Oversight Committees*

Provision of capacity-building support to the Parliament Secretariat to improve the quality of the Secretariat's assistance to and coordination of the activities of the three financial oversight committees of Parliament i.e. (i) Public Accounts Committee; (ii) Public Undertakings Committee and (iii) Estimates Committee including *inter alia*: (a) carrying out a reorganization of the Parliament Secretariat's existing support structure vis-à-vis the three financial oversight committees to create a unified secretariat for the three committees; (b) preparing a formal organization chart of the reorganized Parliament Secretariat, illustrating

the roles and responsibilities of full-time permanent staff of the new unified secretariat for the three committees as per detailed job descriptions and recruiting / placing qualified personnel to fill the ranks of the reorganized Parliament Secretariat; (c) preparing and implementing a detailed staff manual for the new unified secretariat for the three (3) committees; (d) training staff of the new unified secretariat for the three (3) committees to improve their knowledge and skills through twinning and / or exchange programs with internationally recognized bodies such as the Commonwealth Parliamentary Association (CPA), fellowships to work with parliament secretariats for financial oversight committees in the developed world and participation in seminars and workshops including participation in knowledge sharing events and activities organized by the South Asian Community of Practice for Legislative Oversight (LOCOP); and (e) simplifying and modernizing current business process and introducing business plan duly approved by committees.

Part B: Enhancing Public Access to Information about the Parliamentary Financial Oversight Committees

Promoting enhanced public access and transparency vis-à-vis information about the three financial oversight committees of Parliament i.e. (i) Public Accounts Committee; (ii) Public Undertakings Committee and (iii) Estimates Committee through: (a) organizing workshops and seminars to increase public awareness of the role and function of financial oversight committees of the Parliament; (b) preparing and implementing an information dissemination and disclosure strategy in accordance with the Right to Information Act; (c) preparing a system for the three committees to release information about their work to the media; and (d) publishing periodic reports of the committees on the Parliament's website for public access.

Part C: Modernizing Business Processes, Proceedings and Automated Record Management

Provision of technical assistance and implementation support to e-parliament programs to digitalize the interfaces among the three financial oversight committees of Parliament i.e. (i) Public Accounts Committee; (ii) Public Undertakings Committee; and (iii) Estimates Committee, and Parliament Secretariat, and the Office of the Comptroller and Auditor General (CAG) through: (a) installing effective, efficient and modern information and communication technologies and systems; (b) revamping existing business processes by using modern information and communication technologies and systems; (c) introducing systemic changes to share real time information with all stakeholders; (d) digitalizing the existing manual filing system to move towards

an automated record management system, which covers the operations of the three financial oversight committees; and (e) introducing methods and processes to promote information security, privacy and disclosure.

In addition, provision of technical assistance to complement the interventions undertaken by the UNDP Program through: (a) creating group email accounts for the Chairs, Members and staff of the three financial oversight committees of Parliament i.e. (i) Public Accounts Committee; (ii) Public Undertakings Committee; and (iii) Estimates Committee, and the Parliament Secretariat, and Project personnel including personal email addresses for effective communication; (b) deploying dedicated video conferencing facilities and computer hardware and software to modernize the Parliament Secretariat; (c) launching separate websites for the three financial oversight committees; (d) defining appropriate business processes in conformity with international best practices; (e) introducing methods and processes relating to document archiving and database management; (f) deploying Relational Database Management System coupled with secure web-based Management Information System (MIS) applications; (g) defining information and communication technology systems architecture along with identifying user requirement and aligning users' business needs; (h) digital categorization, customization and parameterization to reduce backlog of audit reports; (i) training all stakeholders in the use of information and communication technologies and systems; and (j) ensuring business continuity, mapping and proper maintenance of the new automated systems.

Part D: Project Management and Coordination

Capacity building and provision of implementation support to the PMCU of the Parliament Secretariat relating to the governance, planning, coordination, management, oversight, quality assurance and monitoring and evaluation of the Project through the provision of consultants' services, goods and operational costs.

SCHEDULE 2

Project Execution

Section I. Institutional and Other Arrangements

A. Institutional and Implementation Arrangements

1. The Recipient shall vest responsibility for overall implementation of the Project in the Parliament Secretariat.
2. The Recipient shall maintain throughout the implementation of the Project:
 - (a) National Coordination Committee, chaired by the Minister of Finance with representation from the Parliament Secretariat, the Planning Commission (PC), the Economic Relations Division (ERD), the MoE, IMED, and the CAG, which will provide strategic policy guidance and oversight of the Bangladesh's public financial management program including the MDTF, which includes the Project.
 - (b) Project Steering Committee, chaired by the Secretary of the Parliament Secretariat, including the Project Director, Additional Project Director, Secretariat staff of the three financial oversight committees of Parliament i.e. (i) Public Accounts Committee; (ii) Public Undertakings Committee and (iii) Estimates Committee, representatives of the Planning Commission (PC), MoF, Economic Relations Division (ERD), MDTF administrator and any other relevant official that the chair considers necessary, for the purposes of:
 - (i) reviewing Project implementation;
 - (ii) monitoring implementation issues and deliverables against set timelines;
 - (iii) reviewing and approving annual work plans, budgets and Project procurement plans; and
 - (iv) reviewing any other operational issues.
 - (c) Advisory Committee, led by the Speaker of Parliament and composed of (i) the three (3) Chairs of the three (3) financial oversight committees of Parliament i.e. (a) Public Accounts Committee; (b) Public Undertakings Committee and (c) Estimates Committee; (ii) the Comptroller and Auditor General; (iii) Secretary of the Parliament Secretariat; (iv) Additional Secretaries of the Recipient's Human Resources department and Internal Project Aid office (v) Project Director; (vi) Task

Team Leader of the Project; and (vii) representatives of Donors, for the purposes of providing strategic direction and guidance to the Project Steering Committee and the PMCU.

- (d) Project Management and Coordination Unit (PMCU), led by a full time Project Director, who will be a serving government official not below the rank of Joint Secretary and composed of (i) one (1) Additional Project Director; (ii) two (2) Project officers (procurement and finance specialists) and other support staff. The PMCU will be supported by a team of management and implementation support consultants with qualifications, experience, and terms of reference acceptable to the World Bank. Key responsibilities of PMCU include:
- (i) serving as the Project Secretariat for coordinating, managing and providing day-to-day Project implementation support;
 - (ii) providing technical, financial management, procurement support to the Project team;
 - (iii) compiling and preparing annual work plans, budgets, procurement plans for the Project Steering Committee's review and approval;
 - (iv) monitoring Project implementation and holding regular meetings with representatives of the Parliament Secretariat, the Chairs of the three financial oversight committees and representatives of Donors;
 - (v) preparing progress reports for the Project Steering Committee;
 - (vi) maintaining Project accounts, managing Project funds and designated accounts, and preparing Project financial and monitoring reports;
 - (vii) recruiting and managing Project staff and consultants;
 - (viii) carrying out periodic performance evaluation of all short and long term national and international consultants; and
 - (ix) ensuring appropriate communication between the Parliament Secretariat, Planning Commission (PC), Economic Relations Division (ERD), Joint Government Donor Committee and the World Bank.

- (e) **Joint Government Donor Committee:**
 - (i) will be co-chaired by the Finance Secretary of the Recipient and the representatives of the World Bank and will include representatives from Project Steering Committees established for each of the three priority areas of the MDTF, projects directors, MDTF's Donors and representatives of five or six (6) ministries involved in the Recipient's public financial management reform strategy; and
 - (ii) will have overall responsibility for: (i) reviewing and monitoring the implementation of the overall performance of the MDTF in line with the Recipient's public financial management reform strategy; (ii) reviewing funding proposals submitted by the Recipient to ensure consistency and relevance to the Recipient's strategic priorities in public financial management; and (iii) monitoring progress on the annual MDTF work program, budgetary allocation/funding commitments and disbursements and any other adjustments that might be necessary.
- 3. The Recipient shall within three (3) months of the effectiveness of the Project, appoint a financial management specialist through the PMCU of the Parliament Secretariat, with qualifications, experience, and terms of reference acceptable to the World Bank.

B. Anti-Corruption

The Recipient shall ensure that the Project is carried out in accordance with the provisions of 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 II of the Appendix to this Agreement.

C. 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, enable the representatives of the 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 the indicators set forth in the Annex to this Schedule 2. Each Project Report shall cover the period of one (1) calendar semester, and shall be furnished to the World Bank not later than forty-five (45) days 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 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. Procurement

A. General

1. **Procurement and Consultant Guidelines.** 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:
 - (a) 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 Sections I 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

- (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 1.16 of the Procurement Guidelines and paragraph 1.24 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 the Procurement Guidelines, or Consultant Guidelines, as the case may be.

B. Particular Methods of Procurement of Goods

1. **International Competitive Bidding.** Except as otherwise provided in paragraph 2 below, goods shall be procured under contracts awarded on the basis of International Competitive Bidding.

2. **Other Methods of Procurement of Goods.** Within the overall context of Procurement Guidelines, local procurement of goods will follow the Recipient’s Procurement Laws. The following table specifies the methods of procurement to be used in accordance with the Recipient’s Procurement Laws. The Procurement Plan shall specify the circumstances under which such methods may be used:

Procurement Method	
(a)	National Competitive Bidding
(b)	Shopping
(c)	Direct Contracting

For the purpose of National Competitive Bidding, the following shall apply: (a) post bidding negotiations shall not be allowed with the lowest evaluated or any other bidder; (b) bids should be submitted and opened in public in one location immediately after the deadline for submission; (c) rebidding shall not be carried out, except with the World Bank’s prior agreement; (d) lottery in award of contracts shall not be allowed; (e) bidders’ qualification / experience requirement shall be mandatory; (f) bids shall not be invited on the basis of percentage above or below the estimated cost and the contract award shall be based on the lowest estimated bid price of compliant bid from eligible and qualified bidder; and (g) single stage two (2) envelope procurement system shall not be allowed.

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.** Within the overall context of the Consultant Guidelines, local procurement of services of firms (for which the shortlist may be comprised entirely of national consultants) and services of individual consultants will follow the Recipient's Procurement Laws. The following table specifies methods of procurement, which may be used for consultants' services. The Procurement Plan shall specify the circumstances under which such methods may be used.

Procurement Methods	
(a)	Quality-based Selection
(b)	Fixed Budget Selection
(c)	Consultant's Qualifications
(d)	Single-Source Selection
(e)	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.

E. Other Undertakings

The Recipient shall: (a) implement the Procurement Risk Mitigation Plan, in a manner acceptable to the World Bank; and (b) submit to the World Bank, on a quarterly basis, a report detailing the procurement process, the implementation of the said Procurement Risk Mitigation Plan and the quality of goods and services delivered under the Project.

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:

Category	Amount of the Grant Allocated (expressed in USD)	Percentage of Expenditures to be Financed (inclusive of taxes)
(1) Goods, Consultants’ Services, Training, Workshops Seminars and Operating Costs	5,000,000	100%
TOTAL AMOUNT	5,000,000	

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) unless Recipient has caused the Parliament Secretariat to establish a PMCU for the management and implementation of the Project.
2. The Closing Date referred to in Section 3.06(c) of the Standard Conditions is June 30, 2014.

ANNEX TO SCHEDULE 2

Performance Indicators

1. Unified Secretariat for the three financial oversight committees of Parliament i.e. (i) Public Accounts Committee; (ii) Public Undertakings Committee and (iii) Estimates Committee, with full-time staff reflected on the formal organization structure of the Parliament Secretariat.
 - (a) A permanent, strong and institutional set up within the Parliament Secretariat with defined roles and responsibilities to support the three financial oversight committees.
2. Clear backlog of audit reports.
 - (a) Backlog reduction of audit reports by fifty percent (50%); and
 - (b) All audit reports are scrutinized within twelve (12) months of receipt by Parliament.
3. Preparation and submission of financial oversight committee reports.
 - (a) Financial oversight committees' reports documenting decisions of the three financial oversight committees are prepared and submitted to the Parliament annually.
4. Information available to the public.
 - (a) Media releases on the work of the three financial oversight committees; and
 - (b) Financial oversight committees' reports published on the Parliament website.

APPENDIX

Section I. 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 with the modifications set forth in Section II of this Appendix.
2. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
3. “CAG” means the Recipient’s Office of Comptroller and Auditor General or any successor thereto.
4. “Consultant Guidelines” means 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.
5. “Donor” means the entity which has signed an Administrative Agreement with the World Bank for providing funds to the MDTF and the Project, and “Donors” means, collectively, all such Donors.
6. “ERD” means the Economic Relations Division, of the MoF or any successor thereto.
7. “Finance Division” means the Finance Division of the MoF or any successor thereto.
8. “Finance Secretary” means the secretary of the Finance Division referred to in Section I. A. 2. (e) (i) of Schedule 2 to this Agreement or any successor thereto.
9. “Joint Government Donor Committee” means the committee referred to in Section I. A. 2. (e) of Schedule 2 to this Agreement.
10. “IMED” means the Implementation Monitoring and Evaluation Division of the Recipient’s Ministry of Planning referred to in Section I. A. 2. (a) of Schedule 2 to this Agreement or any successor thereto.
11. “MDTF” means the Multi Donor Trust Fund for the Strengthening Public Expenditure Management Program (SPEMP).

12. “Minister of Finance” means the Recipient’s Minister of Finance or any successor thereto.
13. “Ministry of Planning” means the Recipient’s Ministry of Planning or any successor thereto.
14. “MoE” means the Recipient’s Ministry of Establishment or any successor thereto.
15. “MoF” means the Recipient’s Ministry of Finance or any successor thereto.
16. “National Coordination Committee” means the committee referred to in Section I. A. 2. (a) of Schedule 2 to this Agreement.
17. “Operating Costs” means reasonable expenditures incurred by the Recipient on account of Project administration (which expenditures would not have been incurred absent the Project), management and monitoring, including, hiring of vehicles, operation and maintenance of equipment and vehicles, office space, supplies, utilities, local travel, meeting and workshop expenses, telecommunications expenses, bank charges and advertising expenses but excluding salaries or salary supplements of officials of the Recipient’s civil service.
18. “Parliament Secretariat” means the Parliament Secretariat of the Bangladesh Parliament, Dhaka or any successor thereto.
19. “PC” means the Planning Commission of the Ministry of Planning or any successor thereto
20. “Project Management and Coordination Unit” and the acronym “PMCU” mean the unit referred to in Section I. A. 2. (d) of Schedule 2 to this Agreement.
21. “Procurement Guidelines” means the “Guidelines: Procurement under IBRD Loans and IDA Credits” published by the Bank in May 2004 and revised in October, 2006 and May 2010.
22. “Procurement Laws” mean, collectively, the Recipient’s Public Procurement Act 2006, the Recipient’s Public Procurement Rules 2008 (as amended in August 2009), and the Recipient’s Public Procurement Act (1st Amendment) 2009.
23. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated June 30, 2010 and referred to in paragraph 1.16 of the Procurement Guidelines and paragraph 1.24 of the Consultant Guidelines, as the same

shall be updated from time to time in accordance with the provisions of said paragraphs.

24. “Procurement Risk Mitigation Plan” means the framework of measures and actions prepared by the Recipient and dated June 30, 2010 aimed at mitigating procurement related risks in the carrying out of the Project, and which has been agreed with the World Bank.
25. “Project Steering Committee” and the acronym “PSC” mean the committee referred to in Section I. A. 2. (b) of Schedule 2 to this Agreement, and “Project Specific Steering Committees” and “PSCs” means collectively all such Project Specific Steering Committees and PSCs.
26. “Right to Information Act” means Act dated April 6, 2009 enacted by the Recipient’s Parliament and all rules and regulations in force thereunder.
27. “Training, Workshops and Seminars” means reasonable expenditures incurred by the Recipient for training, workshops and seminars, including office supplies, training materials, costs for translation of training materials, interpretation equipment, consumables, travel costs including lodging and per diem for trainers and trainees, and the costs of renting training facilities.
28. “UNDP Program” means the United Nations Development Programme’s project titled “Strengthening Democracy through Parliamentary Development in Bangladesh”.

Section II. 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.”