

CONFORMED COPY

LOAN NUMBER 7554-JM

Project Agreement

(Early Childhood Development Project)

between

**INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT**

and

EARLY CHILDHOOD COMMISSION

Dated June 10, 2008

PROJECT AGREEMENT

Agreement dated June 10, 2008, entered into between INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (the Bank) and THE EARLY CHILDHOOD COMMISSION (the Project Implementing Entity or the ECC) (the Project Agreement) in connection with the Loan Agreement (the Loan Agreement) of same date between JAMAICA (the Borrower) and the Bank. The Bank and the Project Implementing Entity hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

- 1.01. The General Conditions (as defined in the Appendix to the Loan Agreement) 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 Loan Agreement or the General Conditions.

ARTICLE II — PROJECT

- 2.01. The Project Implementing Entity declares its commitment to the objectives of the Project. To this end, the Project Implementing Entity shall carry out the Project with the assistance of the Participating Entities in accordance with the provisions of Article V of the General Conditions, and shall provide promptly as needed, the funds, facilities, services and other resources required for the Project.
- 2.02. Without limitation upon the provisions of Section 2.01 of this Agreement, and except as the Bank and the Project Implementing Entity shall otherwise agree, the Project Implementing Entity shall carry out the Project in accordance with the provisions of the Schedule to this Agreement.

ARTICLE III — REPRESENTATIVE; ADDRESSES

- 3.01. The Project Implementing Entity's Representative is the Chairman of the ECC.
- 3.02. The Bank's Address is:

International Bank for Reconstruction and Development
1818 H Street, NW
Washington, DC 20433
United States of America

Cable:	Telex:	Facsimile:
INTBAFRAD Washington, D.C.	248423(MCI) or 64145(MCI)	1-202-477-6391

3.03. The Project Implementing Entity's Address is:

Shops 45-49 Kingston Mall
8-10 Ocean Boulevard
Kingston, Jamaica

Facsimile:

876-922-9295

AGREED at the District of Columbia, United States of America, as of the day and year first above written.

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

By /s/ Yvonne Tsikata

Authorized Representative

EARLY CHILDHOOD COMMISSION

By /s/ Anthony Johnson

Authorized Representative

SCHEDULE

Execution of the Project

Section I. Implementation Arrangements

A. Institutional and Other Arrangements

1. Without limitation to the provisions of Article V of the General Conditions, the Project Implementing Entity declares its commitment to the objectives of the Project as set forth in Schedule 1 to the Loan Agreement, and, to this end, shall:

(a) carry out the Project in accordance with the Project Operational Manual. The Project Operational Manual or any part thereof shall not be amended, waived, suspended, or abrogated without the Bank's prior written concurrence, and in the case of any inconsistency between the provisions of the Project Operational Manual and those of this Agreement, the provisions of this Agreement shall prevail;

(b) maintain, throughout Project implementation, key staff for Project implementation, including without limitation a director of cross-sectoral coordination, a director of finance and information technology, a procurement specialist, and other staff in adequate numbers, all with qualifications and experience satisfactory to the Bank;

(c) promptly inform the Bank of any developments in the legislation or regulations of the Borrower and the ECC and/or the rules of procedures of the Borrower and the ECC, including without limitation, the Project Implementing Entity's Legislation, the Early Childhood Act, and the NSP Cabinet Decision, that may affect Project implementation;

(d) no later than April 30 each year during Project implementation starting in 2008, enter into a Memorandum of Understanding acceptable to the Bank with each Participating Entity which defines the activities to be carried out under the Project and reporting obligations during the subsequent fiscal year; and

(e) no later than May 31, 2010, carry out a mid-term review of the NSP, including a review of the Disbursement-linked Targets 2010-2011, the Disbursement-linked Targets 2011-2012, and the Disbursement-linked Targets 2012-2013.

B. Anti-Corruption.

The Project Implementing Entity shall ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.

C. Safeguards.

1. The Project Implementing Entity commits not to carry out under the Project any construction or expansion of infrastructure, other than minor works financed with counterpart funding to which the provisions set forth in the Project Operational Manual shall apply.

2. The Project Implementing Entity further commits not to provide under the Project health services that produce health care waste.

Section II. Project Monitoring, Reporting and Evaluation.

A. Project Reports

1. The Project Implementing Entity shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 5.08 (b) of the General Conditions and on the basis of indicators agreed with the Bank and set forth in the Project Operational Manual. Each such Project Report shall cover the period of one FY Semester, and shall be furnished to the Borrower not later than thirty days after the end of the period covered by such report for incorporation and forwarding by the Borrower to the Bank of the overall Project Report.
2. The Project Implementing Entity shall provide to the Borrower not later than four months after the Closing Date for incorporation in the report referred to in Section 5.08 (c) of the General Conditions all such information as the Borrower or the Bank shall reasonably request for the purposes of that Section.

B. Financial Management, Financial Reports and 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 have its financial statements referred to above audited by independent auditors acceptable to the Bank, in accordance with consistently applied auditing standards acceptable to the Bank. Each audit of these financial statements shall cover the period of one fiscal year of the Project Implementing Entity. The audited financial statements for each period shall be furnished to the Borrower and the Bank not later than four months after the end of the period.

Section III. Procurement

All services required for the Project and to be financed out of the proceeds of the Loan shall be procured in accordance with the provisions of Section III of Schedule 2 to the Loan Agreement.