

**REGULATIONS AND RULES**

**FOR THE**

**IMPLEMENTATION OF**

**FAST TRACK PROJECTS**



# **REGULATIONS AND RULES FOR THE IMPLEMENTATION OF FAST TRACK PROJECTS**

*(Adopted by the Governing Council on 28 November 2006 at its Eighteenth Annual Meeting)*

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# **REGULATIONS AND RULES FOR THE IMPLEMENTATION OF FAST TRACK PROJECTS**

The present Regulations and Rules prescribe the conditions which shall govern the implementation of all projects (referred to herein as “Fast Track Projects”) where the total financial contribution (referred to herein as the “Grant”) to be provided by the Fund does not exceed USD 120,000. These Regulations and Rules shall apply equally to projects financed from the Second Account and projects financed from the net earnings of the First Account, respectively.

## **REGULATION I. THE FAST TRACK IMPLEMENTATION AGREEMENT**

1. When the Managing Director approves a Fast Track Project for financing by the Fund, the modalities for implementation of the project shall be set out in an agreement (referred to herein as the “**Fast Track Implementation Agreement**”) to be concluded between the Fund and the entity (referred to herein as the “**Implementing Agency**”) which shall be responsible for the implementation of the project. The Implementing Agency shall have a legal personality.
  
2. The Fast Track Implementation Agreement shall as a minimum comprise the following elements:
  - (a) The address of the Implementing Agency;
  - (b) The full title of the project;
  - (c) The objective of the project;
  - (d) The purpose for which the Grant is provided;
  - (e) A detailed programme for implementation of the project and the related budget allocation;
  - (f) A financing plan, including contributions, in cash and/or in kind, to be made to the project by parties other than the Fund;
  - (g) A disbursement schedule for the Grant;
  - (h) The expected duration of the project;
  - (i) The expected output of the project.

## **REGULATION II. DISBURSEMENT CONDITIONS**

Before the Fund makes any disbursement from a Grant, the following conditions shall have been fulfilled:

- (a) The Implementing Agency shall have opened a bank account or a ledger account which shall be separate from other accounts of the Agency, for receipt and administration of the proceeds of the Grant;
- (b) Contributions to be made by parties other than the Fund shall have been firmly committed and confirmed;
- (c) All prerequisites for the implementation of the project shall be in place, including, but not limited to, the identification of necessary infrastructure and resource persons, and selection of participants.

## **REGULATION III. PROJECT SUPERVISION**

Fast Track Projects will normally be supervised directly by the Fund. However, the ICB supporting the project shall be involved when the project comprises technical aspects which require direct supervision by the ICB. For Fast Track Projects with a duration of one year or more, six monthly progress reports shall be submitted to the Fund and, as appropriate, to the ICB.

## **REGULATION IV. SUSPENSION OF A FAST TRACK PROJECT**

A Fast Track Project approved for implementation may be suspended if circumstances indicate the successful implementation of the project unlikely. Such circumstances shall include, but not be limited to:

- (a) Unauthorised use of proceeds of the Grant for purposes other than for which these were provided;
- (b) Contributions to be made by parties other than the Fund not being made available on a timely basis;
- (c) The arrangements made for the implementation of the project being inadequate to achieve the envisaged objectives.

## **REGULATION V. CANCELLATION OF A FAST TRACK PROJECT**

A Fast Track Project suspended for more than 90 days without the circumstances which gave rise for the suspension having been rectified, may be cancelled. A Fast Track Project may

also be cancelled if the objective towards which achievement the Grant was provided can no longer be met within the framework of the design of the project, or if the context in which the project had been conceived is no longer valid.

#### **REGULATION VI. PROCUREMENT OF GOODS AND SERVICES**

All procurement of goods and services to be financed from the Grant shall be subject to the CFC Regulations and Rules for Procurement of Goods and Services from the Second Account, and shall be conducted in consultation with and with the concurrence of the Fund.

#### **REGULATION VII. FINANCIAL REPORTING AND AUDITING**

Upon completion of the implementation of a Fast Track Project or, as the case may be, termination of a Fast Track Project prior to completion, the Implementing Agency shall submit a statement of incomes and expenditures to the Fund. Such a statement of incomes and expenditures may be required to be externally audited or certified by the financial management of the Implementing Agency as the Managing Director may determine on a case by case basis.