March 23, 2011

H.E. Matata Ponyo Mapon
Minister of Finance
Ministry of Finance
B.P. 12997 Blvd. du 30 juin
Kinshasa/Gombe
Democratic Republic of Congo

Re: Democratic Republic of Congo: Multi-Donor Trust Fund for Statistical Capacity Building - III
Grant No. TF096011

Excellency:

In response to the request for financial assistance made on behalf of the Democratic Republic of Congo (“Recipient”), I am pleased to inform you that the International Development Association (“World Bank”), acting as administrator of the Multi Donor Trust Fund for the Democratic Republic of Congo: Statistical Capacity Building - III, proposes to extend to the Recipient a grant in an amount not to exceed two hundred twenty four thousand six hundred fifty United States Dollars (U.S.$224,650) (“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 5.02 of the Annex to this Agreement.

Very truly yours,

INTERNATIONAL DEVELOPMENT ASSOCIATION

By____________________
//s// Marie Francoise Marie-Nelly
Country Director for the Democratic Republic of Congo
Africa Region

AGREED:
DEMOCRATIC REPUBLIC OF CONGO
By_/s/_ H.E. Matata Ponyo Mapon
Name _ H.E. Matata Ponyo Mapon
Title ___Minister of Finance _____
Date: ____March 24, 2011_____

Enclosures:

(2) Disbursement Letter dated _____, 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.

**Article II**

**Project Execution**

2.01. **Project Objectives and Description.** The objective of the Project is to support the development of a national statistical development strategy (NSDS) for the Democratic Republic of Congo. The Project consists of the following parts:

- **Part 1.** Financing of the development of the national strategy for the development of statistics through four aspects: (i) finalization of the diagnostic; (ii) definition of the objectives; (iii) elaboration of a development strategy; and (iv) validation of the NSDS.

- **Part 2.** Training of statistical office staff to enhance capacity of said staff.

- **Part 3.** Project management, including technical assistance for procurement implementation and for carrying-out the audit of the grant activities.

2.02. **Project Execution Generally.** The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall cause the Project to be carried out by the Institut National de la Statistique (INS) 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 and revised in January 2011 (“Anti-Corruption Guidelines”); and (c) this Article II.

2.03. **Institutional and Other Arrangements.** Without limitation upon the provisions of Section 2.02, the Recipient shall ensure that the Subsidiary Grant Agreement shall include, at all times during the implementation of the Project, provisions to the following effect:

2.04 **Subsidiary Grant Agreement.** (a) The Recipient shall ensure that the Subsidiary Grant Agreement shall include, at all times during the implementation of the Project, provisions to the following effect:
(i) The Recipient’s obligation to provide the proceeds of the Grant to INS on terms and conditions satisfactory to the World Bank;

(ii) INS obligation to carry out the Project with due diligence and efficiency, in conformity with appropriate administrative, technical, environmental and social practices, under the supervision of qualified and experienced management assisted by competent staff in adequate numbers, and in accordance with the provisions of this Agreement;

(iii) INS obligation to promptly inform the Recipient and the World Bank of any condition which interferes or threatens to interfere with the progress of the Project and the performance of its obligations under the Subsidiary Grant Agreement; and

(iv) INS obligation to procure the goods, non-consulting services and consultants’ services required for the Project and to be financed out of the proceeds of the Grant, in accordance with the provisions of Section 2.07 of this Annex;

(v) INS obligation to neither take nor concur in any action which would have the effect of amending, abrogating, assigning or waiving the Subsidiary Grant Agreement.

(b) The Subsidiary Grant Agreement shall include a provision stipulating that in the case of conflict between the Subsidiary Grant Agreement and this Agreement, the latter shall prevail.

2.05. 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 forty five days after the end of the period covered by such report.

(b) 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.

2.06. 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. Such audit of the Financial Statements shall cover the entire period during which withdrawals from the Grant Account were made. The audited Financial Statements for such period shall be furnished to the World Bank not later than six months after the end of such period.
2.07. **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:


(ii) Sections I and IV of the “Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” published by the World Bank in January 2011 (“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 1.18 of the Procurement Guidelines and paragraph 1.25 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 and Services other than consultant services:**

(i) Except as otherwise provided in sub-paragraph (ii) below, goods and Services other than consultant services shall be procured under contracts awarded on the basis of International Competitive Bidding.

(ii) The following methods, other than International Competitive Bidding, may be used for procurement of goods and Services other than consultant services for those contracts which the Bank agrees meet the requirements set forth in the Procurement Guidelines for their use: (A) Shopping; (B) Direct contracting; (C) National Competitive Bidding.

(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 the Bank agrees meet the requirements set forth in the Consultant Guidelines for their use: (A) Selection based on Consultants’ Qualifications; (B) Single-source Selection; (C) Selection of Individual Consultants; (D) Least Cost Selection; and (E) 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. All terms of references shall be subject to Prior 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) 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 following table.

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Grant Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be Financed (inclusive of taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods in Parts 1 and 2 of the Project.</td>
<td>8,000</td>
<td>100</td>
</tr>
<tr>
<td>(2) Consultants’ services including audit; Training and Workshops and Operating Costs under Parts 1, 2 and 3 of the Project.</td>
<td>216,650</td>
<td>100</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>224,650</td>
<td></td>
</tr>
</tbody>
</table>

For the purposes of this Section the terms:

(i) “Training and workshops” means the costs associated with meetings, seminars and training sessions, including travel and subsistence costs for participants, costs associated with securing the services of trainers and seminar speakers, rental of facilities, preparation and reproduction of training and seminar materials, and other costs directly related to meetings, seminars and training preparation and implementation; and

(ii) “Operating costs” means the incremental operating expenses incurred for management and coordination of the Project activities, including, inter alia, communication, transportation, office supplies, printing, utility expenses, salaries of locally contracted employees, but excluding salaries of the Recipient’s civil servants.

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, 2011.


**Article IV**

**Additional Remedies**

4.01. *Additional Event of Suspension.* The Additional Event of Suspension referred to in Section 4.02 (k) of the Standard Conditions consists of the following:

*Event prior to Effectiveness.* The World Bank has determined after the Effective Date referred to in Section 5.03 of this Agreement that prior to such date but after the date of this Agreement, an event has occurred which would have entitled the World Bank to suspend the Recipient’s right to make withdrawals from the Grant Account if this Agreement had been effective on the date such event occurred.

**Article V**

**Effectiveness; Termination**

5.01. This Agreement shall not become effective until evidence satisfactory to the World Bank has been furnished to the World Bank that the conditions specified below have been satisfied:

The Subsidiary Agreement referred to in Section 2.04 of this Annex has been executed on behalf of the Recipient and INS.

5.02. Except as the Recipient and the World Bank shall otherwise agree, this Agreement shall enter into effect on the date upon which the World Bank dispatches to the Recipient notice of its acceptance of the evidence required pursuant to Section 5.01 (“Effective Date”). If, before the Effective Date, any event has occurred which would have entitled the World Bank to suspend the right of the Recipient to make withdrawals from the Grant Account if this Agreement had been effective, the World Bank may postpone the dispatch of the notice referred to in this Section until such event (or events) has (or have) ceased to exist.

5.03. *Termination for Failure to Become Effective.* This Agreement and all obligations of the parties under it shall terminate if it has not entered into effect by the date 90 days after the date of this Agreement, unless the World Bank, after consideration of the reasons for the delay, establishes a later date for the purpose of this Section. The World Bank shall promptly notify the Recipient of such later date.

**Article VI**

**Recipient’s Representative; Addresses**

6.01. *Recipient’s Representative.* The Recipient’s Representative referred to in Section 7.02 of the Standard Conditions is its minister responsible for Finance.

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

Ministry of Finance
Boulevard du 30 Juin
Avenue Lubefu No. 20, Commune de la Gombe
Kinshasa 1, Democratic Republic of Congo
Email: kamwangagerome@minfinrdc.com

6.03. **World Bank’s Address.** 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: INDEVAS  
Telex: 248423 (MCI) or 64145  
Facsimile: 1-202-477-6391 (MCI)