Mr. Batyr Khodjaev  
Minister of Finance  
Ministry of Finance  
Tashkent  
Republic of Uzbekistan

Re: Grant No. TF0A4011  
Support to the Land Administration and Geospatial System Modernization Project

Excellency:

In response to the request for financial assistance made on behalf of the Republic of Uzbekistan (“Recipient”), I am pleased to inform you that the International Bank for Reconstruction and Development and International Development Association (“World Bank”), acting as administrator of grant funds provided by the Ministry of Strategy and Finance of the Republic of Korea (“Donor”) under the Korea-World Bank Group Partnership Facility Single-Donor Trust Fund, proposes to extend to the Recipient a grant in an amount not to exceed one million five hundred and fifty seven thousand United States Dollars (USD $1,557,000 (“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 from the Donor. In accordance with Section 3.02 of the Standard Conditions (as defined in the Annex to this Agreement), the World Bank’s payment obligations in connection with this Agreement are limited to the amount of funds made available to it by the Donor under the abovementioned trust fund, and the Recipient’s right to withdraw the Grant proceeds is 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.

Very truly yours,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

AND

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Lilia Burunciuc

Country Director

Europe and Central Asia Region

AGREED:

REPUBLIC OF UZBEKISTAN

By: Authorized Representative

Name: Abdusshukur Abdullaev

Title: Chairman of GKZGDK

Date: April 26, 2017

Enclosures:


(2) Disbursement Letter of the same date as this Agreement, together with World Bank Disbursement Guidelines for Projects, dated May 1, 2006.

(3) 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 and as of July 1, 2016.

Article I
Standard Conditions; Definitions


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 and the below additional terms have the following meanings:

(a) "e-Government" means electronic government system, which is the use of digital information and communication technologies in public administrations to deliver services to the public and private sectors.

(b) "e-Government Master Plan" means the comprehensive program, approved by the Government on 27 June 2013, for the development of the national information and communication system of the Republic of Uzbekistan for 2013-2020.

(c) "Geoportal" means a web portal established to find and access geospatial data and associated services, which will serve as a one-stop shop for all geospatial information and related online services.

(d) "Geospatial data" means data that identifies the location and characteristics of natural or constructed features and boundaries on the earth. This data may be derived from, among other things, remote sensing, mapping, and surveying. The term “geospatial data” is often used interchangeably with the term “spatial data” or “geographic data”.

(e) "GKZGDK" means Goskomzemgeodezcadastre, the State Committee on Land Resources, Geodesy, Cartography and State Cadastre, a public institution established by Decree of the President of the Republic of Uzbekistan No. 3502 dated October 15, 2004 and by the Resolution of the Recipient’s Cabinet of Ministers No. 483 dated October 19, 2004; and any legal successor thereto.

(f) "ICT" means information and communications technology, including hardware, software, digital information and networks developed and used under the Project concerning IISRPRC, NSDI, digitization of cadastral mapping and land records and the Geoportal, concerned with storing, managing, accessing and processing of data and information. ICT also includes other systems for management, monitoring, procurement and financial management.

(g) "ICT Competence Center" means the technical working group of GKZGDK, operating as the IISRPRC vendor’s local counterpart with the purpose to take full ownership over the development and maintenance of the IISRPRC under the MRPRC Project.

(h) "IISRPRC" means the Integrated Information System for Real Property Registration and Cadastre to be developed under the MRPRC Project.

(i) "MRPRC Project" means the Project described in Schedule 1 to the Financing Agreement between the Republic of Uzbekistan and the International Development Association, dated September 16, 2016.
"National Spatial Data Infrastructure" or "NSDI" means the technology, policies, standards, and human resources necessary to acquire, process, store, distribute, and improve utilization of geospatial data.

"PIU" means the project implementation unit within GKZGDK.

"Project Operations Manual" means a manual to be prepared by the Recipient under Section 2.03 (c) of this Grant for the purposes of the MRPRC Project.

Article II
Project Execution

2.01. Project Objective and Description. The objective of the Project is to build the capacity of the GKZGDK to manage the development and maintenance of the computerized systems for land administration and geospatial information management.

The Project consists of the following parts:

Part 1: Technical Assistance for the establishment of the Integrated Information System for Real Property Registration and Cadastre

(a) Providing technical assistance to GKZGDK for the development and roll-out of a new ICT-based IISRPRC for: (i) developing and maintenance of a reliable e-system for the management of geospatial data and property rights, including the development of technical specifications; (ii) auditing, evaluating, and testing the e-system and ensuring quality technical documentation of products delivered by contractors; (iii) establishing an ICT Competence Center (domain and system analysts, software developers, database and Geographic Information System specialists, system and network administrators), including a mechanism for the continuous knowledge transfer from the ICT system developer to the Center.

(b) Providing technical assistance to GKZGDK for digitization of current paper property registration and cadastre records (including both attribute and geospatial data) for the new IISRPRC, by: (i) supporting the planning, management, monitoring, and implementation of the mass digitization process; and (ii) organizing GKZGDK's in-house campaign for integration and conversion of digital textual and graphic data into IISRPRC, and the migration, harmonization and population of the uniform IISRPRC database.

(c) Providing technical assistance for development of capacity to use the real property registration and cadastre data, including: (i) enhancing public on-line use of IISRPRC data and the development of a modern framework and technological platform in compliance with the country's e-Government Master Plan; (ii) preparation of a strategy to define the infrastructure, data formats, standards and initial services for on-line access and sharing of geospatial data for authorities, business entities, organizations and citizens; and (iii) improving GKZGDK customer orientation and the way it engages with citizens by assessing existing complaints handling system in order to: (A) conduct a functional review of back office procedures and responsibilities; (B) develop recommendations for improvement; and (C) formulate a comprehensive operation manual for use as a training tool and for developing information awareness materials to inform the general public about channels for submitting complaints, procedures for handling them and providing feedback to the beneficiaries.
(d) Providing support to GKZGDK for strengthening the legal framework, including: (i) identifying the legal changes required for the operationalization of the new web-based II SRPRC; and (ii) the development of legislation, institutional agreements and guidelines for the establishment of a National Spatial Data Infrastructure, including a national Geoportal to access land and spatial information.

**Part 2: Institutional Strengthening**

Provision of training, technical assistance, furniture and office and training equipment for the benefit of both institutional and private sector stakeholders for, among others:

(a) Establishment of a training center.

(b) ICT project and contract management.

(c) Development and maintenance of the electronic integrated registry and cadaster system.

(d) Project management.

(e) Raising the awareness on advantages of the digital work.

(f) Customer-orientation.

(g) Use of the new registration system by GKZGDK staff, surveyors, and notaries.

(h) Strategic and business planning.

(i) Digitization, quality control of spatial and land administration data.

(j) cybersecurity and privacy.

2.02. **Project Execution Generally.** The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall carry out the Project through GKZGDK 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 and as of July 1, 2016 (“Anti-Corruption Guidelines”); and (c) this Article II.

2.03. **Institutional and Other Arrangements.**

(a) The Recipient shall ensure that:

(i) all terms of reference for any technical assistance, including the institutional development consultancies carried out under the Project are consistent with the World Bank’s environmental and social safeguards policies, as well as the Recipient’s own laws relating to the environment and social aspects;

(ii) in drafting any regulations, guidelines, or corporate procedures and carrying out capacity building activities under the Project, due attention is given to said policies and laws; and
(iii) the Project is implemented in accordance with the Project Operations Manual and shall not waive, amend, or abrogate any provision of the Project Operations Manual without the prior written consent of the World Bank.

(b) The Recipient shall maintain, within the National Centre for Geodesy and Cartography of GKZGDK, and thereafter operate and maintain during Project implementation, a Project implementation unit ("PIU"), with functions and responsibilities (including responsibility for Project management and fiduciary functions and monitoring and evaluation), adequate funds, facilities, services and resources, and with competent staff, in adequate numbers, qualifications, and experience, all acceptable to the World Bank.

2.04. **Donor Visibility and Visit.** (a) The Recipient shall take or cause to be taken all such measures as the World Bank may reasonably request to identify publicly the Donor's support for the Project.

(b) 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 Donor to visit any part of the Recipient's territory for purposes related to the Project.

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 acceptable to the World Bank. Each Project Report shall cover the period of one calendar quarter 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.

(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 semester, covering the semester, 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. Each 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 months after the end of such period.

2.07. **Procurement**

All goods and consulting 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 the "World Bank Procurement Regulations for Borrowers under Investment Project Financing" dated July 1, 2016 ("Procurement Regulations"), and the provisions of the Recipient's procurement plan for the Project ("Procurement Plan") dated November 15, 2016, provided for under Section IV of the Procurement Regulations, as the same may be updated from time to time in agreement with 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 100% of Eligible Expenditures consisting of goods, consulting services, Incremental Operating Costs and Training, exclusive of taxes other than Withheld Taxes.

For purposes of this Section:

(i) “Incremental Operating Costs” means incremental costs incurred by the PIU on account of the Project coordination, implementation and monitoring, including expenditures for vehicles operation and maintenance, office supplies and consumables, utilities, communication, translation and interpretation, bank charges, Project related travel, including per diem and accommodation (but excluding salaries of the Recipient’s civil servants) and other miscellaneous costs directly associated with the Project implementation, all based on periodic budgets acceptable to the World Bank.

(ii) “Training” means Project related study tours, training courses, seminars, workshops and other training activities, not included under service providers’ contracts, including costs of training materials, space and equipment rental, travel, accommodation and per diem costs of trainees and trainers’ fees, and other training related miscellaneous costs.

(iii) “Withheld Taxes” means the following taxes withheld at source: taxes for social charges; income taxes for residents and non-residents; and custom registrations duties withheld at the source.

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 this Agreement.

3.03. Withdrawal Period. The Closing Date referred to in Section 3.06 (c) of the Standard Conditions is January 31, 2019.

Article IV
Recipient’s Representative; Addresses

4.01. Recipient’s Representative. The Recipient’s Representative referred to in Section 7.02 of the Standard Conditions is its Minister of Finance.

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

Ministry of Economy
45A, Uzbekistan Avenue
Ministry of Finance
Mustakilik Square 5
Tashkent 100008
Republic of Uzbekistan
4.03. **World Bank’s Address.** The World Bank’s Address referred to in Section 7.01 of the Standard Conditions is:

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

Telex: 248423 (MCI) or 64145 (MCI)
Facsimile: 1-202-477-6391