March 5, 2013

H.E. Dr. MohammedSaed Al-Sadi
Minister of Planning and International Cooperation
Ministry of Planning and International Cooperation
Sana’a
Republic of Yemen

Re: Yemen: TFSCB Grant Agreement for Capacity Building for the 2013-14 HBS and Sector Capacity Building Grant Number: TF014218

Excellency:

I am writing on behalf of the International Development Association (IDA) to indicate IDA’s agreement, as administrator of grant funds provided by the Trust Fund for Statistical Capacity Building, to make a grant in an amount not exceeding one hundred and ninety eight thousand United States Dollars (US$198,000.00) (the Grant) to Republic of Yemen (the Recipient).

The Grant is made in response to the Recipient’s request for financial assistance and for the purposes and on the terms and conditions set forth in the Annex to this Letter Agreement. The Recipient hereby confirms its request that IDA carry out the activities described in paragraph 1 of the Annex to this Letter Agreement, and represents that it is authorized to contract the Grant for the said purposes and on the said terms and conditions.

Please note that it is IDA’s policy to make publicly available this Letter Agreement and any information related thereto, after this Letter Agreement has become effective and the Recipient has given its consent to such disclosure. The Recipient, by countersigning this Letter Agreement, confirms its consent to such disclosure.

Please confirm your agreement with the foregoing, on behalf of the Recipient, by signing, dating, and returning to us the enclosed copy of this Letter Agreement. Upon receipt by IDA of the copy of this Letter Agreement countersigned by you, this Letter Agreement will become effective as of the date of the countersignature.

Very truly yours,
INTERNATIONAL DEVELOPMENT ASSOCIATION

By:

Hartwig Schafer
Director
Yemen, Egypt and Djibouti Country Department
AGREED:

REPUBLIC OF YEMEN

By: 

Name: Dr. Mohammed Saeed ALSadi

Title: Minister of Planning & International Cooperation

Date: March 16, 2013
ANNEX

Purposes, Terms and Conditions of the Grant

1. The purpose of the Grant is to assist the Central Statistical Organization (CSO) of Yemen in the preparation, implementation, and analysis of the 2013-14 Household Budget Survey (HBS). The activities (the Activities) for which the Grant is given are as follows:
   (a) Conducting assessment of the draft survey questionnaire for the HBS and preparing recommendations for improvement;
   (b) Updating the Sampling Frame;
   (c) Providing training to the field workers and team leaders who will carry-out the survey;
   (d) Developing data entry system;
   (e) Providing training on the data processing system (data entry, cleaning, etc.); and
   (f) Carrying out data management and capacity building activities.

2. The Grant shall be used to finance consultants’ services, training and workshops expenses required for the Activities.

3. IDA shall carry out the Activities on behalf of the Recipient. The Recipient shall cooperate with IDA to the extent necessary to permit the Bank to carry out the Activities promptly and effectively, and to evaluate the results of the Activities. The Recipient shall indemnify IDA against any costs or liabilities incurred by IDA as a result of claims against IDA in connection with the Activities, except those resulting from the gross negligence or willful misconduct of its staff or external consultants.

4. IDA shall carry out the Activities pursuant to this Letter Agreement only to the extent that the Grant funds required for such Activities are available to IDA from the Trust Fund for Statistical Capacity Building.

5. The Activities shall be completed by not later than December 31, 2014, or such later date as IDA may establish by notice to the Recipient (the Closing Date). After the Closing Date, IDA may at any time cancel the remaining balance of the Grant.

6. The engagement and supervision of the consultants (the Consultants) required to assist in the carrying out of the Activities shall be the responsibility solely of IDA and shall be done according to IDA’s applicable procedures.

7. The Recipient may at any time request IDA in writing to terminate the Activities. Whether or not the Recipient has made such a request, IDA may at any time suspend or, after consultation with the Recipient, terminate the right of the Recipient to receive Grant funds for the Activities if any of the following events has occurred and is continuing: (a) the Recipient has failed to perform any of its obligations under this Letter Agreement; or (b) the right of the Recipient, or any other entity to which the International Bank for Reconstruction and Development (IBRD) has made a loan with the guarantee of the Republic of Yemen, to make withdrawals under any loan agreement with the IBRD or any development credit, grant or financing agreement with the IDA has been suspended.

8. IDA is not an agent of, or trustee for, the Recipient and shall not have any fiduciary relationship with the Recipient. The Recipient shall have no right to any portion of the Grant that is not expended by IDA pursuant to this Letter Agreement.