Mr. Adrian Lupușor  
Executive Director  
EXPERT GRUP  
45 B, Pușkin str.  
Chișinău, MD 2005  
Republic of Moldova

Re: Empowered Citizens Enhancing Accountability of the Education Reform and Quality of Education in Moldova Project  
(GPSA Grant No. TF015859)

Dear Sir:

In response to the request for financial assistance made on behalf of EXPERT GRUP ("Recipient"), I am pleased to inform you that the International Development Association ("World Bank"), acting as administrator of grant funds provided by multiple donors ("Donors") under the Global Partnership for Social Accountability Trust Fund ("GPSA Trust Fund"), proposes to extend to the Recipient for the benefit of the Republic of ("Member Country"), a grant from the GPSA Trust Fund in an amount not to exceed six hundreds ninety six thousand nine hundred fifty five United States Dollars, (US$696,955) ("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 Donors. 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 Donors 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. Upon receipt by the World Bank of this countersigned copy, this Agreement shall become effective as of the date of the countersignature; provided, however, that the offer of this Agreement shall be deemed withdrawn if the World Bank has not received the countersigned copy of this Agreement within 90 days.

December 16, 2013
after the date of signature of this Agreement by the World Bank, unless the World Bank shall have established a later date for such purpose.

Very truly yours,

INTERNATIONAL DEVELOPMENT ASSOCIATION

By [Signature]
Qimiao Fan
Country Director
Belarus, Moldova and Ukraine
Europe and Central Asia Region

AGREED:

EXPERT GRUP

By [Signature]
Authorized Representative

Name Adrian Lupusoi
Title Executive Director
Date: 26.12.2013

Enclosures:

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

(a) Expert Grup means a non-governmental organization with legally established and operating in the Member Country’s territory and with the following legal address: 12, Crangului str. Chișinău, MD 2025, Republic of Moldova.

(b) “CSO” means a civil society organization legally established and operating in the Member Country’s territory and selected according to criteria agreed between the Recipient and the World Bank.

Article II
Project Execution

2.01. **Project Objectives and Description.** The objective of the Project is to empower the Member Country’s civil society to: (i) engage local, regional and national authorities in evidence-based policy and budget dialogue in the Member Country’s education sector; and (ii) to promote an enabling environment for social accountability.

The Project consists of the following parts:

**Part 1: Building an Environment Enabling Sustainable Social Accountability in Moldova**

Strengthening of the capacity of the Recipient to create partnerships and tools for social accountability to be used in the Member Country’s education sector, through the carrying out the following activities: (a) identification of the training needs of CSOs working in the Member Country’s education sector; carrying out of periodic open data readiness assessment of the Member Country’s education sector, (b) establishment of a network comprised of regional and local focal points; (c) Development of mechanisms and tools for citizen and CSOs’ oversight of the Member Country’s education sector, in particular in relation to school policy and budget reforms; and (d) carrying out of training and workshops for relevant stakeholders.

**Part 2: Applying Social Accountability Tools to Empower Local and Regional Stakeholders to Increase Policy Accountability**

Empowering local and regional stakeholders of the Member country’s educational sector to increase policy accountability, through the carrying out the following activities: (a) organization and implementation of meetings to discuss the planned budgets of selected schools; (b) preparation and implementation stakeholder report cards, including the collection and analysis of results; and (c) development of website to facilitate evidence-based policy and budget dialogue and exchange of information at the local, regional and national level.
Part 3: Integrating Social Accountability with Policy and Budget Dialogue

Promoting the use of social accountability tools to inform the Member Country’s education policy planning and execution, through the carrying out of the following activities: (a) implementation of annual independent education budget analyses; (b) design and implementation of independent monitoring activities; (c) carrying out of workshops for relevant stakeholders; and (d) preparation and dissemination of policy papers.

Part 4: Knowledge and Learning

Provision of support for: (a) the preparation and dissemination of learning products on social accountability mechanisms, taking into account lessons learned from Project implementation, including \textit{inter alia}: (i) guidance notes; and (ii) case studies; and (b) implementation, monitoring and evaluation of the activities financed by the grant including audits.

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 in accordance with the provisions of: (a) Article 11 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. 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 Donors’ 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, take all measures required on its part to enable the representatives of the Donors to visit any part of the Member Country’s territory for purposes related to the Project.

2.04. 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 indicators acceptable to the World Bank. Each Project Report shall cover the period of one calendar semester, 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 at Closing Date.

2.05. 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, upon the World Bank’s request and furnished to the World Bank no later than forty-five (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. 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. The Recipient shall ensure that the audited financial statements are made publicly available in a timely fashion and in a manner acceptable to the Association.
2.06. **Procurement.** All goods, non-consulting services, and/or consulting services required for the Project and to be financed, fully or partially, out of the proceeds of the Grant shall be procured in accordance with the requirements set forth or referred to in the “Guidelines: Procurement of Goods, Works, and Non-Consulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers”, dated January 2011 (“Procurement Guidelines”), and the “Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers”, dated January 2011 (“Consultant Guidelines”).

2.07. Any contract for Eligible Expenditures to be financed in full or in part out of the proceeds of the Grant shall be included in the procurement plan prepared by the Recipient and approved by the Bank in accordance with the Procurement Guidelines and the Consultant Guidelines, prior to initiating the procurement process for any such contract.

**Article III**

**Withdrawal of Grant Proceeds**

3.01. **Eligible Expenditures.** (a) The Recipient may withdraw the proceeds of the Grant in accordance with the provisions of: (i) Article III of the Standard Conditions; (ii) this Section; and (iii) 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 consultant’s services, goods, Training and Operating Costs (including audits).

(b) For purposes of this Section the following terms mean:

(i) “Training” means expenditures incurred by the Recipient to conduct training, including purchase and publication of materials, rental of facilities, course fees, and travel and subsistence of trainees; and

(ii) “Operating Costs” means reasonable recurrent expenditures incurred by the Recipient and required for the implementation of the Project, overhead and staff costs (including salaries of staff working on the Project); office rental, supporting staff for the Project, transportation, basic utilities (electricity, water), and communications expenses (telephone, internet access, among others), but excluding salaries of officials of any of the Participating Countries’ civil service; and any other reasonable expenditures as may be agreed upon by the World Bank.

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 five (5) years after the date of countersignature of this Agreement by the Recipient.

3.04. **Other Undertakings.** The Recipient undertakes that the proceeds of the Grant shall not be used to finance the following goods; art, furniture, carpet, vehicles and generators.
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 Executive Director.

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

45 B, Pușkin str.
Chișinău, MD 2005
Republic of Moldova

Telephone: +373 22 929 994
E-mail: adrian@expert-grup.org

4.03. **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

Facsimile: 1-202-477-6391

With a copy to:

Program Manager
GPSA Secretariat
Mail Stop: J 4-403
World Bank Institute (WBI)

Telephone: +1 202 458-7173
E-mail: rsenderowitsch@worldbank.org