The World Bank  
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT  
INTERNATIONAL DEVELOPMENT ASSOCIATION  
1618 H Street N.W.  
Washington, D.C. 20433  
U.S.A.  
(202) 477-1234  
Cable Address: INTBAFRA
Cable Address: INDEVA

November 11, 2014

Secretary Mohammad Mejbahuddin
Economic Relations Division
Ministry of Finance
Block 8, Room 3
Sher-e-Bangla Nagar
Dhaka, Bangladesh

Re: TFSCB Grant Agreement for Enhancing Capacity for Urban Poverty Statistics in Bangladesh - Grant No.TFO16775

Dear Secretary Mejbahuddin:

In response to the request for financial assistance made on behalf of the People’s Republic of Bangladesh (the “Recipient”). I am pleased to inform you that the International Bank for Reconstruction and Development/International Development Association (“World Bank”), acting as administrator of grant funds provided by various donors under the Trust Fund for Statistical Capacity Building (“TFSCB”), proposes to extend to the Recipient a grant in an amount not to exceed three hundred thousand United States Dollars (U.S.$300,000) (“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 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 represent, 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 authorized officials 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 upon the Recipient’s countersignature and the Subsidiary Grant Agreement duly executed on behalf of the Recipient and the Power and Participation Research Center (PPRC), as described in paragraph 2.03 of the Annex to this Agreement; 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 ninety (90) days after the date of signature of this Agreement by the World Bank, and the duly executed Subsidiary Grant Agreement between the Recipient and PPRC, unless the World Bank shall have established a later date for such purpose.

Very truly yours,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

By ________________________________
Johannes Zutt
Country Director for Bangladesh

AGREED:
PEOPLE’S REPUBLIC OF BANGLADESH

By ________________________________
Authorized Representative
Name Kazi Shofijul Azam
Title Additional Secretary
Date 23.2.2015

Enclosures:

(2) Disbursement Letter of the same date as this Agreement, together with World Bank Disbursement Guides 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
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.

(i) “BBS” means the Bangladesh Bureau of Statistics, a centralized official bureau responsible for collecting, compiling and disseminating statistical data of all the sectors of the Bangladesh economy established by the Government of Bangladesh in 1974, or any successor thereto.

(ii) “PPRC” or the Power and Participation Research Center means an independent, non-profit center for research and social action established in 1996 under the laws of the Government of Bangladesh, registered under Trust Act 1882 and with NGO Affairs Bureau (registration number 1113).

(iii) “Subsidiary Grant Agreement” means the Agreement between the PPRC and the Recipient, setting forth implementation arrangement for the Project, as described under paragraph 2.03 of this Annex; and as such term includes all schedules and agreements supplemental to the Subsidiary Grant Agreement.

Article II
Project Execution

2.01. Project Objectives and Description. The objective of the Project is to support the BBS to improve the quality of urban poverty statistics and analysis and capacity enhance in line with the broader framework of strengthening the national statistical system. The Project consists of the following parts:

(a) Developing a framework for gathering urban statistics, including for urban poverty;

(b) Strengthening in-house capacity in the BBS and in local think-tanks and universities in undertaking urban poverty analysis and research;

(c) Undertaking survey and analysis on urban poverty;

(d) Enabling implementation of the survey for three other urban strata, namely, Chittagong, other city corporations, and secondary cities; and

(e) Organizing international seminar on urban poverty where the Dhaka report can be presented and a strategic urban poverty agenda can be identified and agreed upon.
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 the PPRC in an effective and coordinated manner, and 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.** (a) The Recipient shall make the proceeds of the Grant Available to PPRC in accordance with the Subsidiary Grant Agreement to be entered into between the Recipient and the PPC.

   (b) PPRC shall appoint and thereafter maintain throughout the period of implementation of the Project, a Project director assisted by competent staff, all with experience and qualification, in numbers and under terms of reference acceptable to the World Bank.

   (c) PPRC shall undertake to: (i) maintain a financial management system and records and accounts adequate to reflect sound accounting practices, its operations and financial conditions; (ii) retain all records (contracts, orders, invoices, bills, receipts and other documents) evidencing expenditures under the Project until at least the later of: (a) one (1) year after the Recipient and the World Bank have received the audited financial statements covering the period during which the last withdrawal from the Grant Account was made; and (b) two (2) years after the Closing Date; (iii) enable the Recipient and the World Bank’s representative to examine such records; and (iv) monitor and evaluate the progress of the Project in accordance with the provisions of the Standard Conditions.

   (d) The Recipient shall exercise its rights under the Subsidiary Grant Agreement in such manner as to protect the interest of the Recipient and the World Bank and to accomplish the purposes of the Project. Except as the World Bank shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive the Subsidiary Grant Agreement or any of its provisions.

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, take all measures required on its part to enable the representatives of the Donors 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 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 one (1) month after the end of the period covered by such report.

   (b) The performance indicators referred to above in paragraph (a) consist of the following:
(i) Framework developed, tested and applied for collection of statistical data on urban sector for analysis of urban poverty;

(ii) BBS, PPRC and local university staff trained in collection, analysis and reporting on urban poverty;

(iii) Urban poverty statistics expanded for other urban strata, namely metropolitan Chittagong, the remaining city corporations and a sample of secondary towns;

(iv) Organized a conference to disseminate the results of urban poverty analysis for Metropolitan Dhaka City.

(c) 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 as part of the Project Report not later than forty-five (45) days after the end of each six months, covering the six months, 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 such 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.**

(a) **General.** All goods and consultants’ 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) Section I and IV of the “Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated 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 Sections II and III of the Procurement Guidelines, or Sections II, III, IV and V of the Consultant Guidelines, as the case may be.

(c) Particular Methods of Procurement of Goods. The following methods may be used for procurement of goods for those contracts specified in the Procurement Plan: (a) National Competitive Bidding, following procedures of the Procurement Laws of the Recipient, Procurement Act 2006 (Act No. 24 of 2006), Public Procurement Rules 2008 (as amended in August 2009) and Public Procurement Act (1st Amendment) 2009, subject to the additional provisions set forth in paragraph below; (b) Shopping, following the request for quotation method of the Procurement Laws; and (c) Direct Contracting.

(i) National Competitive Bidding Procedures: the following provisions apply for the contracting of goods, works and non-consulting services under National Competitive Bidding, using bidding documents acceptable to the World Bank:

(A) Post bidding negotiations shall not be allowed with the lowest evaluated or any other bidder;
(B) Bids should be submitted and opened in public in one (1) location immediately after the deadline for submission;
(C) Lottery in award of contracts shall not be allowed;
(D) Bidders’ qualification/experience requirements shall be mandatory;
(E) Bids shall not be invited on the basis of percentage above or below the estimated cost and contract shall be based on the lowest evaluated bid price of compliant bid from eligible and qualified bidder; and
(F) The single stage two (2) envelope procurement system shall not be allowed.

(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, other than Quality- and Cost-based Selection, may be used for the procurement of consultants’ services for those assignments which are specified in the Procurement Plan: (A) Quality-based Selection; (B) Selection under a Fixed Budget; (C) Least Cost
Selection; (D) Selection based on Consultants' Qualifications; (E) Single-source Selection of consulting firms; (F) Selection of Individual Consultants; and (G) Single-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.

**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) 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. The table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Grant ("Category"), the allocations of the amounts of the Grant to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

<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</td>
<td>50,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Consultants' Services</td>
<td>140,000</td>
<td>100%</td>
</tr>
<tr>
<td>(3) Training</td>
<td>110,000</td>
<td>100%</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>300,000</strong></td>
<td></td>
</tr>
</tbody>
</table>

For the purpose of this paragraph, the term "Training" means reasonable expenditures incurred by the Recipient for the carrying out of training and workshop activities, including expenditures for facilities rental, materials printing and photocopying, supplies, course fees, and travel and subsistence of participants.

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 March 31, 2016.
Article IV
Recipient's Representative; Addresses

4.01. **Recipient's Representatives.** (a) The Recipient's representative referred to in Section 7.02 of the Standard Condition is the Secretary or the Additional Secretary, or any Joint Secretary, Joint Chief, Deputy Secretary, Deputy Chief, Senior Assistant Secretary, Senior Assistant Chief, Assistant Secretary or Assistant Chief of the Economic Relations Division of the Ministry of Finance.

4.02. **Recipient's Addresses.** The Recipient's Addresses referred to in Section 7.01 of the Standard Conditions are:

   Economic Relations Division  
   Ministry of Finance  
   Block 8, Room 3  
   Sher-e-Bangla Nagar  
   Dhaka, Bangladesh

   Facsimile: +88 02 9180 (71)

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

   Cable: INTBAFRAD  
   INDEVAS  
   Washington, D.C.

   Telex: 348423 (MCI) or 34145 (MCI)

   Facsimile: 1-202-477-6391