Dr. El Tayeb Mutsafa Abou Ganaya  
Undersecretary  
Ministry of Finance and National Economy  
Khartoum, Republic of the Sudan  

Re: Sudan – MDTF – Gender Action Plan Grant No.TF096746  
Gender Support and Development Project  

Excellency:  

In response to the request for financial assistance made on behalf of the Republic of the Sudan (“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 under the Multi-Donor Trust Fund for the Gender Action Plan (TF070751), proposes to extend to the Recipient (“Member Country”), a grant in an amount not to exceed two hundred thousand United States Dollars (USD 200,000) (“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. 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 4.02 of the Annex to this Agreement.

Very truly yours,  
INTERNATIONAL DEVELOPMENT ASSOCIATION  

By: /s/ Alassane Sow  
Country Manager for Sudan  
Africa Region  

AGREED:  
REPUBLIC OF THE SUDAN  

By: Dr. El Tayeb Mutsafa Abou Ganaya  
Authorized Representative  

Date: July 26, 2010
Enclosures:


(2) Disbursement Letter dated May 19, 2010, 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 1, 2008 (“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 economically empower the most vulnerable women by enabling them to be actively involved in their communities’ development through an increased access to economic resources and opportunities.

The Project consists of the following parts:

**Component 1: Enhancing women participation in the community development**

**A – Establishment of the Women’s Development Centers:**

Establishment of two women development centers to: (i) empower women at both economic and social levels and to increase their decision-making role at the community level; and (ii) to act as a platform of services including *inter alia*, literacy classes, health awareness sessions, business services, peace-building seminars, and gender equality importance for the selected community.

**B – Women Development Center’s Activities:**

(a) Supporting the economic empowerment of selected women through:
   (i) strengthening existing and start-up agricultural activities such as baobab and hibiscus fruit or groundnuts cultivation and processing, or small businesses such as handicrafts and tailoring with a particular focus on the introduction of transformation and / or preservation activities;
   (ii) providing a small revolving fund and grants for the main business activity; (iii) selecting the trainees based on vulnerability criteria (women head of households); (iv) providing appropriate agricultural techniques and processing or technical skills needed for small businesses; and (v) facilitating contacts for marketing activities.

(b) Provision of basic skills and business management training, including: (i) basic skills in literacy to reinforce beneficiaries’ capacity to execute their chosen business; (ii) management of the development centre; and (iii) project organizational, planning and implementation issues for monitoring and evaluation purposes.

(c) Carrying out basic health awareness activities to raise beneficiaries’ knowledge on basic health practices such as hygiene and ante-natal care, as well as on local available services through: (i) providing basic training of community mobilizers to strengthen knowledge on basic reproductive health
and existing services available to beneficiaries to identify potential synergies across programs; and (ii) carrying out series of awareness-raising sessions for the selected community.

(d) Carrying out awareness sessions on peace-building issues to the selected group of women and men.

C - Sustainability of the Women’s Development Center:

Carrying out income generation activities through the developing and implementing a common business approach to be managed by the selected women.

Component 2: Community Mobilization

(a) Early engagement of the selected community by establishing contacts with the community leaders, school teachers/principals and local community based organizations to enable them to understand the goals of the Project and the contribution of each gender to the community economic development as well as to seek their acceptance and support for the Project.

(a) Capacity building of a group of selected members of the community as community mobilizers on gender issues.

(c) Capacity building of a group of women in the development centre in community and external resources mobilization, as well as in the improvement of the women’s association networking capacity.

(d) Conducting a series of seminars on the role of women in conflict transformation (particularly on their traditional conflict resolution strategies) in order to increase the community understanding of women’s role in civic duty, community participation and peace-building.

(e) Developing synergies with other potential community projects.
Component 3: Monitoring and Evaluation

Carrying out monitoring and evaluation activities through: (i) conducting a series of community participatory assessments of women’s self-identified needs; (ii) identifying baseline information and socio-economic profile of the targeted villages; (iii) creating a sex-disaggregated beneficiary’s database; (iv) carrying out a mid-term review; and (iv) preparation of quarterly and completion reports.

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 State of South Kordofan (“State of South Kordofan”), 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 (“Anti-Corruption Guidelines”); and (c) this Article II.

2.03. Subsidiary Grant Agreement. Without limitation upon the provisions of Section 2.02 above: (a) the Recipient shall make the Grant available to the State of South Kordofan under a subsidiary grant agreement, under terms and conditions acceptable to the World Bank, to be entered into between the Recipient and State of South Kordofan (“Subsidiary Grant Agreement”). The Subsidiary Grant Agreement shall describe the arrangements for the transfer of the proceeds of the Grant to State of South Kordofan and the arrangements for implementation of the Project in accordance with this Agreement.

(b) The Recipient shall exercise its rights under the Subsidiary Grant Agreement in such manner as to protect the interests of the Recipient and the World Bank and to accomplish the purposes of the Grant. 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. In case of any conflict between the Subsidiary Grant Agreement and this Agreement, this Agreement shall prevail.

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 agreed with 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 one month 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.

2.05. 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 un-audited financial reports for the Project are prepared and furnished to the World Bank as part of the Project Report 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. 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.

2.06. Procurement

(a) General. All 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 Sections I
(excluding paragraph 1.24) and IV of the “Guidelines: Selection and Employment of Consultants by World Bank Borrowers” published by the World Bank in May 2004 and revised in October 2006 (“Consultant Guidelines”).

(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 Consultant Guidelines, as the case may be.

(c) **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 Selection based on Quality- and Cost-based Selection.

(ii) The following methods may be used for the procurement of consultants’ services for those assignments which the World 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) Least Cost Selection; (D) Selection of Individual Consultants; and (D) Sole Source Procedures for the Selection of Individual Consultants.

(e) **Review by the World Bank of Procurement Decisions.** Except as the World Bank shall otherwise determine by notice to the Recipient, the following contracts shall be subject to Prior Review by the World Bank: (i) each contract for consultants’ services provided by a firm estimated to cost the equivalent of $50,000 or more or awarded on the basis of Single-source Selection; (iii) each contract for services provided by an individual estimated to cost the equivalent of $30,000 or more or awarded on the basis of Sole Source Procedures for the Selection of Individual Consultants; and (iv) and all terms of reference for consultants’ services provided for the Project irrespective of their cost. 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) Consultant Services, Operating Costs, and Training and Workshops for the Project</td>
<td>200,000</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>200,000</td>
<td></td>
</tr>
</tbody>
</table>

For purposes of this paragraph, the terms:

(a) “Operating Costs” means the incremental expenses incurred on account of Project implementation, including office furniture and supplies, vehicle operation and maintenance, communication and insurance costs, banking charges, travel costs, and salaries of support contractual staff of the Recipient, but excluding salaries of officials of the Member Countries; and

(b) “Training and Workshops” means the reasonable cost of: (i) training materials and rental of training facilities and equipment; (ii) tuition fees, travel, accommodation and per diem of trainers and trainees; and (iii) any other expenses related to training (including study tours and workshops).

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 October 29, 2010.

Article IV
Effectiveness; Termination

4.01. This Agreement shall not become effective until evidence satisfactory to the World Bank has been furnished to the World Bank that the condition specified below has been satisfied.

- The Subsidiary Grant Agreement has been signed between the State of South Kordofan and the Recipient for the purpose of Section 2.03 of the Annex to this Agreement.
4.02. 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 4.01 (“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.

4.03. *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 V**  
Recipient’s Representative; Addresses

5.01. *Recipient’s Representative.* The Recipient’s Representative referred to in Section 7.02 of the Standard Conditions is the Minister at the time responsible for finance.

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

- Minister of Finance and National
- Ministry of Finance and National Economy
- Government of National Unity
- Khartoum
- Republic of the Sudan
5.03. **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  
Telex: INDEVAS 248423 (MCI) or 1-202-477-6391  
Facsimile: Washington, D.C. 64145 (MCI)