Ms. Shobhini Mukerji  
Executive Director, J-PAL South Asia  
Institute for Financial Management and Research  
ITM Research Park, A1, 10th Floor, Kanagam Village  
Taramani, Chennai 600 113  

Re: CLEAR Grant No. TF0A2895  
CLEAR SOUTH ASIA PHASE 3  

Dear Ms. Mukerji:

In response to the request for financial assistance made on behalf of Institute for Financial Management and Research ("IFMR") ("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 ("Donors") under the Regional Centers for Learning and Evaluation and Results ("CLEAR") Multi-Donor Trust Fund, proposes to extend to the Recipient for the benefit of India, People’s Republic of Bangladesh, Islamic Republic of Pakistan and Democratic Socialist Republic of Sri Lanka (each a “Member Country” and collectively “Member Countries”) a grant in an amount not to exceed nine hundred and fifty thousand United States Dollars (U.S.$950,000) ("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 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.
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

By / Annette Dixon
Regional VP for South Asia

AGREED:

INSTITUTE FOR FINANCIAL MANAGEMENT AND RESEARCH

By ____________
Authorized Representative
Name: SHOBHINI MUKERJI
Title: EXECUTIVE DIRECTOR, J-PALSA
Date: July 1, 2016

Enclosures:

(2) Disbursement Letter of the same date as this Agreement, together with World Bank Disbursement Guidelines for Projects, dated May 1, 2006
(5) “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

1.01. **Standard Conditions.** The Standard Conditions for Grants Made by the World Bank out of Various Funds dated February 15, 2012 ("Standard Conditions"), with the modifications set forth in Section I of the Appendix to this Agreement, 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.

(a) "CERP" means the Center for Economic Research in Pakistan, a delivery partner operating in Pakistan for CLEAR in South Asia.

(b) "CLEAR" is the Centers for Learning on Evaluation and Results, a multi-donor trust fund program that sponsors this grant.

(c) "CLEAR South Asia Center at IFMR", is the informal name applied to the recipient in the work carried out under this grant, operating within JPAL at IFMR, as defined herein.

(d) "IFMR" means the Institute for Financial Management and Research established in 1970 as a not-for-profit organization and recognized as an institution of national importance by the Ministry of Finance and as social research institution by the Ministry of Science and Technology.

(e) "JPAL" means the Jameel Poverty Action Lab South Asia, housed within the IFMR, and operating under IFMR’s management.

(f) "M&E" means monitoring and evaluation.

(g) Operating Costs" means the overhead costs, including operating costs incurred on account of the implementation of the Project such as office supplies and consumables, utilities, communications, mass media and printing services, vehicle rental, fuel and operation and maintenance, rental expenses, document duplication/printing, per diem for Project staff for travel linked to the implementation of the Project, insurance costs, charges for the opening and operation of bank accounts required for the Project, and salaries of staff for the Project (but excluding consultants’ services and salaries of officials of any of the Member Country’s civil service).

(h) “Regional Advisory Committee” or the acronym “RAC” means an advisory committee established by the CLEAR South Asia Center at IFMR to provide guidance and strategic input on their regional activities.

(i) "Training and Workshops" means the costs associated with training and workshop participation of personnel involved in the implementation of the Project, including room and board, travel, fees and subsistence costs for training participants, rental of training facilities, costs associated with securing the services of trainers,
preparation and reproduction of training materials, and other costs directly related to training course and workshops preparation and implementation.

**Article II**

**Project Execution**

2.01. *Project Objectives and Description.* The objectives of the Project are three fold for the CLEAR South Asia Center at IFMR: (i) clients will gain knowledge in, and the motivation to use M&E methods, approaches, tools, and findings; (ii) partners (other M&E capacity providers and other CLEAR Centers) will gain knowledge on how to develop M&E capacities of their clients; and (iii) the center will work toward the achievement of institutional and financial viability.

The Project consists of the following parts:

(a) **Component 1: Capacity Building Activities for the CLEAR South Asia Center at IFMR**

Strengthening the management, administrative, and professional capacity of the CLEAR South Asia Center at IFMR to develop and deliver monitoring and evaluation capacity building programs.

(b) **Component 2: Capacity Development Services for Clients**

Provide capacity development services for clients, develop and share knowledge/learning on the “how to” of building M&E capacity, and contribute to CLEAR global knowledge network.

(c) **Component 3: Monitoring and Evaluation of the CLEAR Activities**

(i) Collect and keep systematic electronic information on CLEAR operations and provide half-yearly monitoring data and annual review of its performance; (ii) develop a comprehensive monitoring, evaluation, and learning strategy for its programs; and (iii) collect capacity building monitoring information from the Recipient’s partners, including the Center for Economic Research (CERP) in Pakistan.

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 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.* The Recipient shall take all necessary measures to maintain the RAC to advise and contribute knowledge of regional/country needs and demands for refining and implementing the Project on a regional basis and upon request by the Recipient, provide guidance regarding the Project’s strategic directions.

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.
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.

2.05. **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 (1) 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) Indicator One: Seventy-five percent (75%) of the CLEAR South Asia Center at IFMR clients rate "increase in knowledge and/or skills" as a result of participating in its training and workshop services highly (4 or 5 on five-point scale), as measured through feedback forms after delivery of service.

(ii) Indicator Two: Fifty percent (50%) of the CLEAR South Asia Center at IFMR clients who respond to tracer surveys rate the extent to which they applied concepts learned or made changes in their current work as a result of the CLEAR South Asia Center at IFMR activity highly (4 or 5 on a five-point scale).

(iii) Indicator Three: Number of agreed undertakings (joint activities and products) between the CLEAR South Asia Center at IFMR and its partners is at least 2 every year.

(iv) Indicator Four: The proportion of CLEAR funds raised (this includes fees for services and other contributions from host institution, donors, or others but does not include CLEAR MDTF grant money) relative to the total funds (this includes fees for services and other contributions from host institution, donors, or others AND the CLEAR MDTF grant money) is twenty (20%) by June 2017.

(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 five (5) 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 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 (1) fiscal year of the Recipient. The audited Financial Statements for each such period shall be furnished to the World Bank not later than nine (9) months after the end of such period.

2.07. Procurement

(a) General. All goods, non-consulting services 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) Sections 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 (revised July 2014) (“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

(i) Except as otherwise provided in sub-paragraph (ii) below, goods shall be procured under contracts awarded on the basis of National Competitive Bidding (NCB) subject to the following additional procedures:

(A) Only the model bidding documents for NCB agreed with the Government of India task force (and as amended from time to time) shall be used for bidding.

(B) Invitations to bid shall be advertised in at least one widely circulated national daily newspaper (or on a widely used website or electronic portal with free national and international access along with an abridged version of the said advertisement published in a widely circulated national daily, among others, giving the website/electronic portal details from which the details of the invitation to bid can be downloaded) at least thirty (30) days before the deadline for the submission of bids.
(C) No special preferences will be accorded to any bidder either for price or for other terms and conditions when competing with foreign bidders, state-owned enterprises, small-scale enterprises, or enterprises from any given state.

(D) Extension of bid validity shall not be allowed with reference to contracts subject to Bank prior review without the prior concurrence of the Bank: (i) for the first request for extension if it is longer than four (4) weeks; and (ii) for all subsequent requests for extension irrespective of the period (such concurrence will be considered by the Bank only in cases of force majeure and circumstances beyond the control of the purchaser/employer).

(E) Rebidding shall not be carried out with reference to contracts subject to Bank prior review without the prior concurrence of the Bank. The system of rejecting bids outside a predetermined margin or "bracket" of prices shall not be used in the Project.

(F) Two or three envelope system will not be used (except when using the e-procurement system assessed and agreed by the Bank).

(G) No negotiations are conducted even with the lowest evaluated responsive bidders.

(ii) The following methods, other than National Competitive Bidding, may be used for procurement of goods for those contracts which are specified in the Procurement Plan: (A) Shopping; (B) Procurement under Framework Agreements in accordance with procedures which have been found acceptable by the World Bank; and (C) Direct Contracting.

(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, consultants' services, Training and Workshops, and Operating Costs</td>
<td>950,000</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>950,000</td>
<td></td>
</tr>
</tbody>
</table>

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, except that withdrawals up to an aggregate amount not to exceed $190,000 may be made for payments made prior to this date but on or after July 1, 2015, for Eligible Expenditures.

3.03. **Withdrawal Period.** The Closing Date referred to in Section 3.06 (c) of the Standard Conditions is June 30, 2017.

**Article V**

**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:

Institute for Financial Management and Research
ITM Research Park, A1, 10th Floor, Kanagam Village
Taramani, Chennai 600 113

Telex: +91 44 282 73873 Facsimile: +91 44 282 28192/ 28303453

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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
APPENDIX
Modifications to the Standard Conditions

The Standard Conditions are modified as follows:

1. The reference to "Member Country" in Section 17 of the Appendix to the Standard Conditions is modified to read as follows:

"17. Member Country" means the member of the World Bank in whose territory the Project is carried out or any of such member's political or administrative subdivisions. If the Grant is extended by the World Bank to such member as a party to the Grant Agreement, the term "Member Country" and "Recipient" refer to the same entity. If the Project is carried out in the territory of more than one member of the World Bank, "Member Country" refers separately to each such member."