The World Bank
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

H.E. Mr. Hassan Zgliam
Minister of Finance
Ministry of Finance
Tripoli, Libya

December 20, 2011

Re: State and Peace-Building Fund Grant for Transitional Assistance to Libya
Grant TF9/1413

Excellency:

I am writing on behalf of the International Bank for Reconstruction and Development and the International Development Association (the "World Bank") to indicate the World Bank's agreement, as administrator of grant funds provided under the State and Peace-Building Fund ("SPF"), to make a grant in an amount not exceeding three million United States Dollars (US$3,000,000) (the Grant) to Libya (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 the World Bank 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 the World Bank'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 the World Bank 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 BANK FOR RECONSTRUCTION AND DEVELOPMENT/INTERNATIONAL DEVELOPMENT ASSOCIATION

By Simon Gra
Country Director
Maghreb Department
Middle East and North Africa Region

Agreed
LIBYA
By
Name: HASAN ZGILAM
Title: MINISTER OF FINANCE
Date: 22.12.2011
ANNEX

Purposes, Terms and Conditions of the Grant

1. The purpose of the Grant is to support the Libyan transition process through the provision of appropriate technical assistance and socio-economic analysis on development priorities. The activities (the Activities) for which the Grant is given are as follows:

   (a) Field Analysis

   Provision of technical advisory services to assist the Recipient to:

   (i) undertake developmental analysis of post-conflict socio-economic conditions in Libya;
   (ii) undertake additional developmental analyses and assessments focusing on selected sectors (not limited to public finance, infrastructure, service delivery and economic recovery); and (iii) develop new post-conflict institutions, including identification of institutions and ministries in need of capacity building, including at the municipal level, identification and mapping of key development partners relevant to the process of transition in Libya, and identification of ways to integrate cross-sectoral concerns into future development assistance; and

   (b) Technical Assistance

   Provision of in-country technical advisory services to assist the Recipient to:

   (i) build capacity in transitional institutions at the national and local level to manage socio-economic recovery in a post-conflict environment; (ii) identify and implement emerging governance arrangements, including for public financial management; (iii) deliver public services; and (iv) identify social development priorities together with strategies for development including for youth employment, displaced populations, measures and institutions for social accountability

2. The Grant shall be used to finance consultants’ services required for the Activities including consultant fees, contractual services, equipment costs, costs associated with operational security, Training, and Workshop and travel expenses, provided that the term “Training and Workshop” means the costs associated with training activities, study tours and workshops for personnel involved in Activities financed by this Grant, including travel and subsistence costs for training, study tour and workshop participants, costs associated with securing the services of trainers, rental of training and workshop facilities, preparation and reproduction of training and workshop materials, and other costs directly related to training course, study tour or workshop preparation and implementation.

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

4. The World Bank 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 the Bank from the SPF.

5. The Activities shall be completed by not later than March 31, 2014, or such later date as the World Bank may establish by notice to the Recipient (the Closing Date). After the Closing Date, the World Bank 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 the World Bank and shall be done according to the World Bank’s applicable procedures.
7. The Recipient shall be responsible for the payment of any taxes levied by, or in the territory of, Libya on the Consultants or any of the Consultants' personnel (other than nationals or permanent residents thereof) in connection with the Activities.

8. The Recipient may at any time request the World Bank in writing to terminate the Activities. Whether or not the Recipient has made such a request, the World Bank 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 World Bank has made a loan with the guarantee of Libya, to make withdrawals under any loan agreement with the World Bank or any development credit, grant or financing agreement with the International Development Association has been suspended.

9. The World Bank 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 the World Bank pursuant to this Letter Agreement.
الحكومة الليبية الإنتقالية

السيد/ وزير الخارجية
السيد/ وزير المالية
السيد/ وزير التخطيط

بعد التحية،

تبحث إلزام قرار مجلس الوزراء رقم (12) لسنة 2011 ميلاديًا، بالموافقة على اتفاقية

إنشاء مكتب فرعي للبنك الدولي بليبيا، المصدر: 23 محرم 1433 هجريًا

الوافقت 18/12/2011 ميلاديًا.

وذلك لتفعيل باتخاذ الإجراءات اللازمة لتنفيذها.

والسلام عليكم

مدير إدارة الشؤون القانونية

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