June 20, 2017

Hon. Pravind Kumar Jugnauth
Minister of Finance and Economic Development
Ministry of Finance and Economic Development
Ground Floor, Old Government Centre
Port Louis
Mauritius

Re: Grant No. TF0A5271
Republic of Mauritius - Statistical Capacity Building Project
Letter Agreement

Honorable Minister:

In response to the request for financial assistance made on behalf of the Republic of Mauritius ("Recipient"), I am pleased to inform you that the International Bank for Reconstruction and Development and the International Development Association ("World Bank"), acting as administrator of grant funds provided by various donors ("Donors" under the Multi-Donor Trust Fund for Statistical Capacity Building, proposes to extend to the Recipient a grant in an amount not to exceed three hundred and fifty thousand United States Dollars (USD350,000) ("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.

1818 H Street NW • Washington, DC 20433 USA
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.

Very truly yours,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT AND INTERNATIONAL DEVELOPMENT ASSOCIATION

By Mark R. Lundell
Country Director for Mauritius
Africa Region

AGREED:

REPUBLIC OF MAURITIUS

By

Authorized Representative

Name: P. G. MANURAT GOSK
Title: Financial Secretary
Date: 25 July 2017

Enclosures:


(2) Disbursement Letter of the same date as this Agreement, together with “Disbursement Guidelines for Investment Project Financing”, dated February 2017
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.

Article II

Project Execution

2.01. Project Objectives and Description. The objective of the Project is to strengthen the capacity of Statistics Mauritius to collect a comprehensive set of household data, support and strengthen the analytical capacity of Statistics Mauritius, and enhance statistical data production and dissemination practices. The Project consists of the following parts:


(a) Development of a Living Conditions Survey (LCS).
(b) Development of a master sample that can be used for multiple household surveys based on the same frame.
(c) Provision of technical assistance in the use of CAPI.

Part 2: Building Statistical Capacity in Analytics

(d) Provision of training in survey-to-survey imputation techniques.
(e) Provision of training in poverty mapping techniques with the aim of creating new poverty maps.

Part 3: Building the Capacity of Statistics Mauritius in Data Cataloguing and Dissemination

Provision of training in archiving and documenting surveys

Part 4: Purchase of Equipment

Acquisition of tablets for data collection, management and transfer

2.02. Project Execution Generally. The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall cause the Project to be carried out by Statistic Mauritius ("Project Implementing Entity") 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. Implementation and Other Arrangements

A. Subsidiary Agreement

(a) The Recipient shall make the proceeds of the Grant available to the Project Implementing Entity on a grant basis under a subsidiary agreement between the Recipient and the Project Implementing Entity, under terms and conditions approved by the World Bank ("Subsidiary Agreement"), including terms whereby the Project Implementing Entity shall be required to:

(i) carry out the Project with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, environmental and social standards and practices satisfactory to the World Bank, including in accordance with the provisions of the Anti-Corruption Guidelines;

(ii) provide, promptly as needed, the resources required for the purpose;

(iii) carry out the Project in accordance with the Project Implementation Manual;

(iv) procure the goods and services to be financed out of the Grant in accordance with the provisions of this Agreement;

(v) maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with indicators acceptable to the World Bank, the progress of the Project and the achievement of its objectives;

(vi) (A) maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the World Bank, both in a manner adequate to reflect the operations, resources and expenditures related to the Project; and (B) at the World Bank's or the Recipient's request, have such financial statements audited by independent auditors acceptable to the World Bank, in accordance with consistently applied auditing standards acceptable to the World Bank, and promptly furnish the statements as so audited to the Recipient and the World Bank;

(vii) enable the Recipient and the World Bank to inspect the Project, its operation and any relevant records and documents;

(b) The Recipient shall obtain rights adequate to protect its interests and those of the World Bank and shall perform its obligations and exercise said rights under the Subsidiary Agreement in such a 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 Agreement or any of its provisions.

B. Other Arrangement

(a) The Recipient shall cause the Project Implementing Entity to, no later than three months after the Effective Date, appoint a coordinator for the Project with terms of reference, qualification and experience acceptable to the World Bank; to be responsible for the management, coordination and monitoring of all activities related to the Project.
(b) Annual Work Plan and Budget

The Recipient shall cause the Project Implementing Entity to prepare and adopt, not later than March 30 of each Fiscal Year during the implementation of the Project, or such later date as the Bank may agree, an annual work plan and budget ("Annual Work Plan and Budget"), in form and substance satisfactory to the Bank, containing a description of all activities (and associated budgeted costs) to be carried out in the following Fiscal Year, except that for the first year of implementation of the Project, it will cover the period from Effective Date through June 30, 2018.

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, enable the representatives of the Donor 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 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 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 not later than forty-five 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.

2.07. Procurement

All goods, non-consulting services and consulting 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 the “World Bank Procurement Regulations for Borrowers under Investment Project Financing” dated July 1, 2016 (“Procurement Regulations”), and the provisions of the Recipient’s procurement plan for the Project (“Procurement Plan”) dated May 22, 2017, provided for under Section IV of the Procurement Regulations, as the same may be updated from time to time in agreement with 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 "Disbursement Guidelines for Investment Project Financing" dated February 2017, 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>Goods, Training, non-consulting services and consultants’ services under the Project</td>
<td>350,000</td>
<td>100%</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>350,000</strong></td>
<td></td>
</tr>
</tbody>
</table>

For the purpose of this Section, the term "Training" means the reasonable costs which shall have been agreed by the World Bank for the training and workshops, including travel and subsistence costs for training and workshop participants, costs associated with securing the services of trainers and workshop speakers, rental of training and workshop facilities, preparation and reproduction of training and workshop materials, and other costs directly related to training course and workshop preparation and implementation.

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.

3.03. **Withdrawal Period.** The Closing Date referred to in Section 3.06 (c) of the Standard Conditions is July 2, 2019.

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 conditions specified below has been satisfied.

(a) the Subsidiary Agreement referred to in Section 2.03 A of this Annex has been executed on behalf of the Recipient and the Project Implementing Entity; and
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 its 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:

Ministry of Finance and Economic Development
Ground Floor, Old Government Centre
Port Louis
Mauritius

5.03. 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

Telex: 248423 (MCI) or 64145 (MCI)
Facsimile: 1-202-477-6391