Mr. Dalitso Kubalasa  
Project Manager  
Malawi Economic Justice Network  
P. O. BOX 20135  
Lilongwe 2, Malawi

Re: REPUBLIC OF MALAWI: Social Accountability Strengthening Project  
(GPSA Trust Fund Grant No. TF015842)

Dear Mr. Kubalasa:

In response to the request for financial assistance made on behalf of MALAWI ECONOMIC JUSTICE NETWORK ("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 the various "Donors" under the Global Partnership for Social Accountability (GPSA), proposes to extend to the Recipient for the benefit of the Republic of Malawi ("Member Country"), a grant in an amount not to exceed seven hundreds five United States Dollars (U.S.$ 705,000) ("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 various 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. Upon receipt by the World Bank of this countersigned copy, this Agreement shall become effective as of the date of the countersignature.

Very truly yours,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT/INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Kundhavi Kadiresan
Country Director
Authorized Representative

CONFIRMED AND AGREED:

MALAWI ECONOMIC JUSTICE NETWORK

By:

Authorized Representative

Name: Mr. Dalitso Kubalasa
Title: Project Manager, Malawi Economic Justice Network

Date: 27th January 2014

Enclosures:

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

Global Partnership for Social Accountability (GPSA)
Grant No. TF015842

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") 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, and the following term has the following meaning:

"Malawi Economic Justice Network" or ("MEJN") means a coalition of more than 100 CSO created pursuant to the Government of Malawi Companies Act No. 19 of 1984. MEJN’s membership include NGOs, Community Based Organizations, Trade Unions, representatives of the Media, the academia, among others.

Article II
Project Execution

2.01. **Project Objectives and Description.** The objective of the Project is to inform and engage citizens to participate in local and national governance, and work with responsive and accountable authorities for positive change in service delivery and other issues that matter to them. The Project consists of the following parts:

Part 1: Monitor and Report on Procurement Processes of the Education Sector

Carrying out activities aimed at engaging community members as well as district and national level stakeholders to improve procurement in the education sector, including: (a) holding briefing and dialog sessions; (b) developing a procurement monitoring model; (c) holding orientation sessions for stakeholders in management and budgeting for procurement; (d) carrying out procurement related budget analysis; (e) conducting a Public Expenditure Tracking Survey (PETS) and constituent voices.

Part 2: Institutional Strengthening of CSOs working on Social Accountability

Carrying out a program aimed at supporting capacity building for civil society at national and district levels on social accountability in education, with focus on local development structures. Such activities include: (a) development of a capacity building strategy; (b) provision of training to implementing partners on participatory budgeting and to media practioners; and (c) facilitation of a social accountability forum.

Part 3: Sharing Knowledge and Learning from the Project’s Experiences and Achievements

Provision of support to: (a) develop a knowledge and learning strategy, including conducting a baseline study, developing various communication materials, developing a website, and developing a robust
monitoring and evaluation system; and (b) carry out the implementation, monitoring and evaluation of the Project, including audits.

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. **Donor Visibility.** (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.

2.04. **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 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 thirty (30) calendar 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 (6) months after the Closing Date or at any later date as established by the World Bank.

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 unaudited financial reports for the Project are prepared, upon the World Bank’s request and furnished to the World Bank no later than thirty (30) days after the end of each calendar semester, covering the semester, 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 (6) months after the end of such period. The Recipient shall ensure that the audited financial statements are made publicly available in a timely fashion and in a manner acceptable to the World Bank.

2.06. **Procurement**

All goods, non-consulting services, and/or consulting services required for the Project and to be financed, fully or partially, out of the proceeds of the Grant shall be procured in accordance with the requirements set forth or referred to in the “Guidelines: Procurement of Goods, Works, and Non-Consulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers”, dated January 2011 (“Procurement Guidelines”), and the “Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers”, dated January 2011 (“Consultant Guidelines”).
2.07. Any contract for Eligible Expenditures to be financed in full or in part out of the proceeds of the Grant shall be included in the procurement plan prepared by the Recipient and approved by the Bank in accordance with the Procurement Guidelines and the Consultant Guidelines, prior to initiating the procurement process for any such contract.

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) Article III of 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 100% of Eligible Expenditures consisting of goods, consultants’ services, Training and Workshops, and Operating Costs, including audits, inclusive of Taxes;

For the purposes of this paragraph the following terms mean:

(a) “Training and Workshops” means the reasonable costs, as shall have been approved by the World Bank, for training and workshops conducted under the Project, including tuition, 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 (but excluding goods and consultants’ services).

(b) “Operating Costs” means the reasonable costs means incurred by the Recipient, as shall have been approved by the World Bank, for the incremental expenses incurred on account of Project implementation, consisting of: vehicle operation and maintenance, communication and insurance costs, banking charges, rental expenses, office (and office equipment) maintenance, utilities, document duplication/printing, consumables, travel cost and per diem for Project staff for travel linked to the implementation of the Project, and salaries of contractual staff for the Project (but excluding consultants’ services and salaries of officials of the Recipient’s civil service).

3.02. Withdrawal Conditions. Notwithstanding the provisions of Section 3.01 of this Agreement, no withdrawal shall be made:

3.03. Withdrawal Period. The Closing Date referred to in Section 3.06 (c) of the Standard Conditions is five (5) years after the date of countersignature of this Agreement by the Recipient.

3.04. Other Undertakings. The Recipient undertakes that the proceeds of the Grant shall not be used to finance the goods related to art, furniture, carpet, vehicles and generators.

Article IV
Recipient’s Representative; Addresses

4.01. Recipient’s Representative. The Recipient’s Representative referred to in Section 7.02 of the Standard Conditions is the Recipient’s Country Director.
4.02. **Recipient’s Address.** The Recipient’s Address referred to in Section 7.01 of the Standard Conditions is:

Attention: Mr. Dalitso Kubalasa  
Project Manager,  
Malawi Economic Justice Network  
P. O. BOX 20135  
Lilongwe 2, Malawi

Telephone: +265 (0) 1758 198  
E-mail: dkubalasa@mejn.mw

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

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Attention: Roberto Senderowitsch  
Program Manager  
GPSA Secretariat  
Mail Stop: J 4-403  
World Bank Institute (WBI)

Telephone: +1 202 458-7173  
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