Myanmar Partnership
Multi-Donor Trust Fund
Grant Agreement

(Modernization of Public Finance Management Project)

between

REPUBLIC OF THE UNION OF MYANMAR

and

INTERNATIONAL DEVELOPMENT ASSOCIATION
Acting as administrator of the Myanmar Partnership Multi-Donor Trust Fund

Dated September 4, 2014
MDTF GRANT NUMBER TF017910

MYANMAR PARTNERSHIP MULTI-DONOR TRUST FUND
GRANT AGREEMENT

AGREEMENT dated September 4, 2014, entered into between the
REPUBLIC OF THE UNION OF MYANMAR ("Recipient") and the
INTERNATIONAL DEVELOPMENT ASSOCIATION ("World Bank"), acting as
administrator of the Myanmar Partnership Multi-Donor Trust Fund ("Myanmar
Partnership MDTF").

WHEREAS (A) the Recipient, having satisfied itself as to the feasibility and
priority of the Project described in Schedule 1 to this Agreement ("Project"), has
requested the World Bank to extend a grant from the Myanmar Partnership MDTF as
provided in Section 3.01 of this Agreement, to assist in the financing of the Project; and

(B) the Recipient has also requested the International Development Association
("Association") to provide additional assistance towards the financing of the Project,
and the Association has agreed to make available a credit to the Recipient in an amount
equivalent to nineteen million six hundred thousand Special Drawing Rights
(SDR 19,600,000) ("Financing") to assist in the financing of the Project, pursuant to an
agreement of even date herewith the Recipient and the Association ("Financing
Agreement"); and

WHEREAS the World Bank has agreed, on the basis, inter alia, of the
foregoing, to extend a grant from the Myanmar Partnership MDTF to the Recipient
upon the terms and conditions set forth in this Agreement;

NOW THEREFORE, the Recipient and the World Bank hereby agree as
follows:

Article I
Standard Conditions; Definitions

1.01. 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. Unless the context requires otherwise, the capitalized terms used in this
Agreement have the meanings ascribed to them in the Standard Conditions, this
Agreement (including the Preamble hereto), and the Appendix to the Financing
Agreement, as the case may be.
Article II
The Project

2.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall carry out the Project in accordance with the provisions of Article II of the Standard Conditions.

2.02. Without limitation upon the provisions of Section 2.01 of this Agreement, and except as the Recipient and the World Bank shall otherwise agree, the Recipient shall ensure that the Project is carried out in accordance with the provisions of Schedule 2 to this Agreement.

Article III
The Grant

3.01. The World Bank agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a grant in an amount not exceeding twenty million Dollars ($20,000,000) ("Grant") to assist in financing the Project.

3.02. The Recipient may withdraw the proceeds of the Grant in accordance with Section II of Schedule 2 to this Agreement.

3.03. The Grant is funded out of the abovementioned trust fund for which the World Bank receives periodic contributions from the donors to the Myanmar Partnership MDTF. In accordance with Section 3.02 of the Standard Conditions, 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.

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 have been satisfied:

(a) The execution and delivery of this Agreement on behalf of the Recipient have been duly authorized or ratified by all necessary governmental action.

(b) The Financing Agreement has been executed and delivered and all conditions precedent to its effectiveness or to the right of the Recipient to make withdrawals under it (other than the effectiveness of this Agreement) have been fulfilled.
4.02. As part of the evidence to be furnished pursuant to Section 4.01 (a), there shall be furnished to the World Bank an opinion or opinions satisfactory to the World Bank of counsel acceptable to the World Bank or, if the World Bank so requests, a certificate satisfactory to the World Bank of a competent official of the Recipient, showing, on behalf of the Recipient, that this Agreement has been duly authorized or ratified by, and executed and delivered on its behalf and is legally binding upon it in accordance with its terms.

4.03. 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.

4.04. This Agreement and all obligations of the parties under it shall terminate if it has not entered into effect by the date ninety (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. 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. The Recipient's Address is:

Ministry of Finance
Building No. 26
Nay Pyi Taw
Myanmar

Facsimile:

95-67-410-198
5.03. The World Bank’s Address is:

International Development Association
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Facsimile:
1-202-477-6391

AGREED at Nay Pyi Taw, Myanmar, as of the day and year first above written.

REPUBLIC OF THE UNION MYANMAR

By

Authorized Representative

Name: MAUNG MAUNG WIN
Title: Director General

INTERNATIONAL DEVELOPMENT ASSOCIATION
Acting as administrator of the Myanmar Partnership
Multi-Donor Trust Fund

By

Authorized Representative

Name: ULRICH FACHAU
Title: Director
SCHEDULE 1

Project Description

The objective of the Project is to support efficient, accountable and responsive delivery of public services through the modernization of the Recipient's PFM systems and strengthening institutional capacity.

The Project consists of the parts described in Schedule 1 to the Financing Agreement.
SCHEDULE 2

Project Execution

Section I. General

General

Section I (Implementation Arrangements), Section II (Project Monitoring, Reporting and Evaluation) and Section III (Procurement) of Schedule 2 to the Financing Agreement are hereby incorporated by reference and shall apply, mutatis mutandis, to this Agreement, and the Recipient undertakes to comply with the provisions thereof to the same extent as if such provisions had been set out in full in this Agreement, provided that for the purposes of this Agreement: (1) the references to the “Financing” in said Sections shall be construed as references to the Grant provided for under this Agreement; (2) the references to the “Association” in said Sections shall be construed as references to the World Bank; (3) the reference to Section 4.08 of the General Conditions in Section II.A of Schedule 2 to the Financing Agreement shall be construed as reference to Section 2.06 of the Standard Conditions; and (4) the references to Section 4.09 and 4.09(b) of the General Conditions in Section II.B of Schedule 2 to the Financing Agreement shall be construed as references to Section 2.07 and 2.07(b) of the Standard Conditions.

Section II. Withdrawal of the Proceeds of the Grant

A. General

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 40% (inclusive of Taxes) of Eligible Expenditures, consisting of goods, minor works under Part E.1 of the Project, non-consulting services, consultants’ services, Operating Costs and Training, inclusive of Taxes.

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made for payments made prior to the date of this Agreement.

2. The Closing Date is September 30, 2019.