Mr. Abdullah Jihad  
Minister of Finance and Treasury  
Ministry of Finance and Treasury  
Ameenee Magu  
Male’  
Republic of Maldives  

Dear Mr. Jihad:  

Re: TFSCB Grant for the Maldives Statistical Capacity Building Project  
TFSCB Grant No. TF013570  

In response to the request for financial assistance made on behalf of the Republic of Maldives ("Recipient"), I am pleased to inform you that the International Bank for Reconstruction and Development ("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 two hundred thousand United States Dollars (US$200,000) ("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. Upon receipt by the World Bank of this countersigned copy, this Agreement shall become effective as of the date of the countersignature.  

Sincerely,  

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT  

[Signature]

Jill Armstrong  
Acting Country Director for Sri Lanka and Maldives  
South Asia Region
Confirmed and Agreed:
REPUBLIC OF MALDIVES

Signature:

Name: ABDULLA JIHAD

Title: MINISTER OF FINANCE AND TREASURY

Date: 5 JUNE 2013

Enclosures:


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

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 as follows:

(a) "Department of National Planning" or "DNP" means the Recipient’s Department of National Planning, or any successor thereto.

(b) "National Statistics Development Strategy" or "NSDS" means the Recipient’s strategy which sets out a 10 year, prioritized action plan for the Maldives statistical system for the period 2010-2019.

Article II
Project Execution

2.01. Project Objectives and Description. The objective of the Project is to strengthen the capacity of the Recipient’s Statistics Division of the Department of National Planning in the priority areas identified by the National Statistics Development Strategy. The Project consists of the following parts:

Part A. Development of Maldives’ Household Survey System

Development of an efficient household survey system for the monitoring and analysis of socio-economic outcomes through (i) assessment of current household survey system, sample design and instruments; (ii) identification of data collection requirements through stakeholder consultations; (iii) design of socio-economic survey system; (iv) design of frequency and timing of survey(s); (v) design of sampling methodology and identification of requirements and strategy for survey frame update; (vi) design of survey instruments; (vii) design of data entry software; (viii) pilot testing of survey instruments; (ix) training on survey design and implementation (sampling, planning, implementation logistics, data entry software; (x) pilot computer assisted telephone interviewing (CATI)/mobile based data collection techniques to (a) explore feasibility of high frequency collection of labor market indicators; and (b) improve quality of price data; (xi) assessment of personal digital assistant (PDAs), software and data transfer fees; and (xii) training and workshop on mobile data collection techniques.

Part B. Strengthening Analytical Capacity

Strengthening the analytical capacity of the Statistics Division of the Department of National Planning and Statistics units in other line agencies in order to better support evidence-based policy making through skills development, including training on the use
of analytical software (STATA), thematic training, administrative data analysis and validation and software use.

Part C. Data Dissemination and Data Archiving

Development and institutionalization of a data and documentation archiving system, and improvements to the design of the Department of National Planning and Statistical Division website in order to maintain quality and availability of official statistics through an assessment of the current archiving and data dissemination policies, development of guidelines and recommendations, training and website development.

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 through its Statistics Division of the Department of National Planning, Ministry of Finance 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 establish no later than thirty (30) days after the date of countersignature of this Agreement by the Recipient, a steering committee, and thereafter maintain throughout the implementation of the Project such a committee comprising Permanent secretary of the Ministry of Finance and Treasury, to represent the Department of National Planning, as chair, Head of Statistics Division of the Department of National Planning as co-chair, and other representatives among the key stakeholders in the National Statistical System, namely: Ministry of Health; Ministry of Fisheries and Agriculture; Ministry of Human Resources, Youth and Sports and National Centre for Information Technology, responsible for overall coordination functions and appointment of a Project manager to coordinate Project activities, and with an institutional framework, other functions, and resources satisfactory to the World Bank, as shall be required for implementation of the Project.

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 Donors’ 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(s) to visit any part of the Recipient’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 the indicators set forth below in paragraph (b) of this Section to the World Bank. Each Project Report shall cover the period of one (1) 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 performance indicators referred to above in paragraph (a) consist of the following:
(i) Efficient household survey system developed;

(ii) Capacity of the Statistics Division of the Department of National Planning to conduct evidence based policy analysis improved; and

(iii) A data and documentation archiving system developed and institutionalized.

(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 than six (6) months after the Closing Date.

2.0.6. **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 (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 six (6) months after the end of such period.

2.07. **Procurement**

(a) General. All goods 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 (“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 International Competitive Bidding.

(ii) The following methods, other than International Competitive Bidding, may be used for procurement of goods for those contracts which are specified in the Procurement Plan: (A) Shopping; (B) Direct Contracting; and (C) National Competitive Bidding, subject to the following additional provisions:

1. Invitations for bids will be advertised in at least one widely circulated national newspaper, at least 21 days prior to the deadline for submission of bids;

2. Bidding documents shall be made available, by mail or in person, to all who are willing to pay the required fee;

3. Foreign bidders shall not be precluded from bidding and no preference of any kind be given to national bidders in the bidding process;

4. Qualification criteria will be stated in the bidding documents, and if a registration process is required, a foreign firm declared as the lowest evaluated responsive bidder shall be given a reasonable time for registering, without let or hindrance;

5. There shall not any restriction on the means of delivery of the bids, which shall be either through post or hand-delivered. Electronic submissions shall not be permitted;

6. Bids shall be opened in public in one location, immediately after the deadline for the submission of bids, as stipulated in the bidding document (the bidding document will indicate the date, time and place of bid opening);

7. Bids shall not be rejected merely on the basis of a comparison with an official estimate without the prior concurrence of the Association;

8. Evaluations of the bids will be made in strict adherence to the criteria disclosed in the bidding document, in a format and within the specified period agreed with the association, and within the bid validity period specified in the bidding document;

9. Except in cases of force majeure or exceptional situations beyond the control of the implementing agency, the extension of bid validity will not be allowed;

10. Contracts shall be awarded to the lowest evaluated responsive bidder;

11. Post-bidding negotiations shall not be allowed with the lowest evaluated or any other bidders;

12. Except in an exceptional situations, re-invitation of bids shall not be carried out;
13. All bidders/contractors shall, provide bid/performance security as indicated in the bidding/contract documents.

14. Bidder's bid security shall apply only to the specific bid, and a contractor's performance security shall apply only to the specific contract under which it was furnished; and

15. Bids shall not be invited on the basis of percentage premium or discount over the estimated cost, unless agreed with the Bank.

(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 category of Eligible Expenditures that may be financed out of the proceeds of the Grant (“Category”), the allocations of the amounts of the Grant to the Category, and the percentage of expenditures to be financed for Eligible Expenditures in the 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, consultants’ services and Training</td>
<td>200,000</td>
<td>100%</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>200,000</strong></td>
<td></td>
</tr>
</tbody>
</table>
For the purpose of this paragraph the term “Training” means training financed under the Project, attributable to workshops and seminars, and subsistence for training participants, services of trainers, rental of training facilities, preparation and reproduction of training materials, and other activities directly related to course 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 countersignature of this Agreement by the Recipient.

3.03. **Withdrawal Period.** The Closing Date referred to in Section 3.06 (c) of the Standard Conditions is December 31, 2014.

**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 Minister of Finance and Treasury.

4.02. **Recipient’s Address.** The Recipient’s Address referred to in Section 7.01 of the Standard Conditions is:

- Ministry of Finance and Treasury  
- Ameenee Magu  
- Malé 20379  
- Republic of Maldives

Facade:  
(960) 332 4432 or (960) 333 8034

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  
- 1818 H Street, N.W.  
- Washington, D.C. 20433  
- United States of America

Cable:  
INTBAFRAD  
Washington, D.C.

Telex:  
248423 (MCI) or 64145 (MCI)

Facade:  
1-202-477-6391