Mr. V. Sokolin, Chairman  
Interstate Statistical Committee of the  
Commonwealth of Independent States  
Building 1, 39 Myasnitskaya Str.  
107450, Moscow  
Russian Federation  

Re: Implementation of the International Comparison Program (ICP) in the Commonwealth of Independent States Project (Grant No. TF0A6853)  
Letter Agreement  

Dear Mr. Sokolin:  

In response to the request for financial assistance made on behalf of the Interstate Statistical Committee of the Commonwealth of Independent States ("CIS-STAT" or "Recipient"), I am pleased to inform you that the International Bank for Reconstruction and Development/International Development Association ("World Bank"), acting as administrator of grant funds provided by various donors ("Donors") under the Multi-Donor Trust Fund for the International Comparison Programme, proposes to extend to the Recipient for the benefit of selected CIS Countries, a grant in an amount not to exceed two hundred and sixty thousand United States Dollars ($260,000) ("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.

Very truly yours,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT/INTERNATIONAL DEVELOPMENT ASSOCIATION

By [Signature]

Michael M. Lokshin
Acting Director
Development Data Group
Development Economics

AGREED:

Interstate Statistical Committee of the Commonwealth of Independent States

By [Signature]

Authorized Representative

Name Vladimir Sokolin
Title Chairman
Date 16 August 2018

Enclosures:

(2) Disbursement Letter of the same date as this Agreement, together with the "Disbursement Guidelines for Investment Project Financing", dated February 2017
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"), with the modifications set forth in Section I of the Appendix to this Agreement, 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 additional terms have the following meanings:

(a) "CIS Countries" means the countries of Commonwealth of Independent States, including Armenia, Azerbaijan, Belarus, Kazakhstan, Kyrgyzstan, Moldova, Russian Federation, Tajikistan, Turkmenistan and Uzbekistan; "CIS Country" means any of such CIS Countries.

(b) "Complimentary Agreement" means the agreement, referred to in Section 2.03 (b) of the Annex to this Agreement, between the Recipient and National Statistical Office of selected CIS Countries for payment of per diems for Training participants from such CIS Country.

(c) "ICP" means International Comparison Programme.

(d) "Operating Costs" means the incremental operating expenses incurred on account of the coordination, implementation, and monitoring and evaluation of the Project, including office supplies; mail expenses; bank charges; communication costs and other expenditures associated with the Project implementation, acceptable to the Bank, but excluding salaries of Member Country’s civil servants and sitting allowances.

(e) "PPPs" means purchasing power parities.

(f) "Training" means the reasonable cost of: (i) training materials and rental of training facilities and equipment; (ii) tuition fees, travel, accommodation and per diem of trainers and trainees; and (iii) any other expenses directly related to training (including study tours and international meetings) to be carried out under the Project.

Article II
Project Execution

2.01. Project Objectives and Description. The objective of the Project is to contribute to successful implementation of ICP activities in CIS region.

The Project consists of the following parts:

(a) Support regional workshops in the areas, including inter alia: (i) designing ICP surveys and data collections; (ii) compiling gross domestic product (GDP) expenditures; (iii) conducting quality assurance; (iv) sharing knowledge and best practices relating to production of economics statistics; and (v) promoting the use of PPPs.
(b) Support participation in international meetings and conferences. The component aims at ensuring that the national and regional economic statistics and PPP estimates are produced according to the latest methodologies, techniques, guidelines and agreements.

(c) Preparation of operational materials for conducting ICP activities and producing PPP estimates and related measures.

(d) Support the production of knowledge materials relating to economic statistics and publications illustrating regional ICP 2017 cycle results.

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 and as of July 1, 2016 (“Anti-Corruption Guidelines”); and (c) this Article II.

2.03. **Institutional and Other Arrangements**

(a) Institutional Arrangements

(i) No later than one (1) month after the Effective Date, the Recipient shall enter into an agreement based on terms of reference satisfactory to the World Bank, with a procurement expert with qualification, expertise and experience satisfactory to the World Bank.

(ii) No later than one (1) month after the Effective Date, the Recipient shall enter into an agreement based on terms of reference satisfactory to the World Bank, with a financial management expert with qualification, expertise and experience satisfactory to the World Bank.

(b) Complementary Agreement

(i) For the provision of per-diems to the Training participants under the Project, the Recipient shall enter to a Complementary Agreement with a selected CIS Country under terms and conditions approved by the World Bank, which shall include the following, namely: (i) the Recipient’s obligation to provide an amount not to exceed of $5,000 from part of the Grant proceeds to a selected CIS Country; and (ii) the CIS Country’s obligation to: (A) use such proceeds exclusively for the payment of per diems of training participants from such CIS Country; (B) comply with the Anti-Corruption Guidelines; (C) refund any provision of such Grant proceeds used in violation of CIS Country’s obligation under the relevant Complementary Agreement; and (D) furnish to the World Bank any information reasonably requested with respect to activities under such Complementary Agreement.

(ii) The Recipient shall suspend or terminate the right of any of CIS Country to receive or use part of proceeds of Grant upon the CIS Country’s failure to perform any of its obligations under the Complementary Agreement.
(iii) The Recipient shall exercise its rights under the Complementary Agreement in such a manner as to protect the interest of the World Bank to accomplish the purposes of the Grant. Except as the World Bank shall otherwise agree, the Recipient shall not assign, amend, abrogate, or waive Complementary Agreement or any of its provisions.

(iv) In case of any conflict between the terms of the Complementary Agreement and this Letter Agreement, the terms of this Letter Agreement shall prevail.

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, take all measures required on its part to enable the representatives of the Donors 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 basis of indicators acceptable 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 one (1) month 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.

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 one forty-five (45) 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. Such audit of the Financial Statements shall cover the entire period during which withdrawals from the Grant Account were made. The audited Financial Statements for such period shall be furnished to the World Bank not later than six (6) months after the end of such period.

2.07. Procurement

All 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 IPP Borrowers” dated July 2016, revised November 2017 ("Procurement Regulations"), and the provisions of the Recipient’s procurement plan for the Project (“Procurement Plan”) dated June 18, 2018, 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>(1) Non-consulting services, consulting services (including audits), Operating Costs, and Training</td>
<td>260,000</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>260,000</td>
<td></td>
</tr>
</tbody>
</table>

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 December 31, 2019.

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 Chairman.

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

Interstate Statistical Committee of the Commonwealth of Independent States
Building 1, 39 Myasnitskaya Str.
107450, Moscow Russian Federation
Telephone No. Facsimile:
7 (495) 607-4917 7 (495) 607-4592

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

Telex: 248423 (MCI) or 64145 (MCI)
Facsimile: 1-202-477-6391
APPENDIX
Modifications to the Standard Conditions

The Standard Conditions are modified as follows:

1. "Member Country" in Section 17 of the Appendix to the Standard Conditions shall mean: "each of the following World Bank members, namely, Armenia, Azerbaijan, Belarus, Kazakhstan, Kyrgyzstan, Moldova, Russian Federation, Tajikistan, Turkmenistan and Uzbekistan, and in whose territories the Project is carried out. If the Project is carried out in the territory of more than one of such members of the World Bank, "Member Country" refers separately to each such member."