Latin American Energy Organization  
Av. Mariscal Antonio José de Sucre N58-63 and Fernández Salvador,  
Sector San Carlos,  
Quito, Ecuador  

Re: REGIONAL: Caribbean Energy Statistics Capacity Enhancement  
Project Grant No. TF0A5680  
Letter Agreement

Dear Sir:

In response to the request for financial assistance made on behalf of the Latin American Energy Organization ("Recipient" or "OLADE"), 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 Multi-Donor Trust Fund for Statistical Capacity Building (TFSCB) ("Donor(s)"), proposes to extend to the Recipient for the benefit of Belize, Grenada, Guyana, Jamaica and Suriname ("Member Countries"), a grant in an amount not to exceed five hundred thousand United States Dollars (US$500,000) ("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: Tahseen Sayed Khan  
Country Director

1818 H Street NW • Washington, DC 20433 USA
AGREED:
LATIN AMERICAN ENERGY ORGANIZATION (OLADE)

By
Authorized Representative
Name: Alfonso Blanco Bonilla
Title: Executive Secretary
Date: 04/10/2017

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 1 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.

(a) "OLADE" means "Organization Latinoamericana de Energia", the Latin American Energy Organization established pursuant the Lima Agreement on November 2, 1973 ratified by 27 countries of the Latin America and the Caribbean, and which main objective is to contribute to the integration, sustainable development and energy security in Latin America, advising and promoting cooperation and coordination among its member countries.

(b) "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 workshops participants, costs associated with securing the services of trainers, rental of training facilities, preparation and reproduction of training materials, and other costs directly related to training and workshops preparation and implementation (but excluding goods and consulting services).

(c) "Operating Costs" means the incremental costs directly incurred on account of Project management, including, inter alia, equipment and computer maintenance, office supplies, utilities, and communication costs or any other reasonable expenses acceptable to the World Bank.

(d) "Operational Manual" means the Recipient’s manual, referred to in Section 2.02(c) of this Agreement, which manual shall include, inter alia: standard documentation; procurement procedures; reporting requirements; financial management procedures including audit procedures; the procedures for the carrying out, monitoring and evaluation of the Project (including the procurement, financial requirements thereof); as such manual may be amended from time to time with agreement of the World Bank.

Article II
Project Execution

2.01. Project Objectives and Description. The objective of the Project is to enhance energy statistics planning and management capacity within five Caribbean countries: Belize, Grenada, Guyana, Jamaica, and Suriname. The Project consists of the following parts:

Part 1. Carry out an analysis of energy matrix and institutional and regulatory framework of Member Countries, and Training and Workshops activities.

Part 2. Strengthening energy statistics system and capacity of Member Countries, including the development and implementation of a methodology to gather information and manage energy data.

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”); (c) the Operational Manual and (d) this Article II.

2.03. 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 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. In order to assist the Recipient in preparing the Completion Report, the Recipient shall employ consultants whose qualifications, experience and terms of reference are acceptable to the World Bank in accordance with the provisions of Section 2.06 of this Agreement.

2.04. 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 semester, covering the semester, in form and substance satisfactory to the World Bank.

(c) The Recipient shall, upon the World Bank’s request, 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 months after the end of such period.

2.05. 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 July 21, 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) 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 “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 100% of Eligible Expenditures consisting of goods, non-consulting services, and consulting services, and Training and Workshops and Operating Costs, inclusive of Taxes.

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 September 16, 2019.

Article IV
Effectiveness; Termination

4.01 Effectiveness. This Agreement shall not become effective until evidence satisfactory to the World Bank has been furnished to the World Bank that the Operational Manual has been adopted by the Recipient, with terms and conditions acceptable to the World Bank.

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 Executive Secretary.

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

Av. Mariscal Antonio José de Sucre N58-63 and Fernández Salvador,
Sector San Carlos,
Quito, Ecuador

Telex: Facsimile:
(593 2) 2531-675 / 2531-679 (593 2) 2531-691

5.03. 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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<td>248423 (MCI) or 64145 (MCI)</td>
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APPENDIX
Modifications to the Standard Conditions

The Standard Conditions are modified as follows:

The reference to "Member Country" in Section 17 of the Appendix to the Standard Conditions and in this Agreement means the member of the World Bank in whose territory the Project is carried out or any of such member's political or administrative subdivisions. If the Project is carried out in the territory of more than one member of the World Bank, "Member Country" refers separately to each such member.