His Excellency Sergei A. Maskevich
Minister
Ministry of Education
Sovetskaya Str. 9
Minsk 220010
Republic of Belarus

Re: BELARUS: IDF Grant for Strengthening Evidence-Based Policymaking for Education Sector Reforms Project
IDF Grant No. TF016518

Excellency:

In response to the request for financial assistance made on behalf of the Republic of Belarus ("Recipient"), I am pleased to inform you that the International Bank for Reconstruction and Development ("World Bank") proposes to extend to the Recipient, a grant from the World Bank’s Institutional Development Fund ("IDF"), in an amount not to exceed three hundred forty thousand United States Dollars (US$340,000) ("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").

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effective as of the date of the countersignature; provided, however, that the offer of this Agreement shall be deemed withdrawn if the World Bank has not received the countersigned copy of this Agreement within ninety (90) days after the date of signature of this
Agreement by the World Bank, unless the World Bank shall have established a later date for such purpose.

Very truly yours,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By

Young Chul Kim
Country Manager for Belarus

AGREED:

REPUBLIC OF BELARUS

By: 

Authorized Representative

Name: Sergei A. Maskevich

Title: Minister of Education

Date: April 24, 2014

November 10, 2014

Enclosures:


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


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 additional terms have the following meanings:

(a) "Project Implementing Entity" means the Recipient’s National Institute of Education responsible to oversee the Project’s implementation and execute the Project, as delegated by the Ministry of Education through a letter dated March 21, 2014, and as set forth in Section 2.02 and 2.03 (a) of this Agreement.

(b) "Working Group" means a committee created by the Ministry of Education through Resolution No.789 adopted on October 31, 2013 and headed by the Deputy Minister of Education. Said Working Group includes governmental staff from the Ministry of Education and the National Institute of Education, as set forth in Section 2.03 (b) of this Agreement.

Article II
Project Execution

2.01. **Project Objectives and Description.** The objective of the Project is to build government capacity for education sector reforms in the Recipient’s country based on modern approaches to evidence-based policymaking, through improved data collection and analysis, education financing and quality assessment. The Project consists of the following parts:

**Component 1: Capacity Development for Evidence-based Policymaking in the General Secondary Education Sector**

Provision of technical assistance and support to enable the Recipient’s educational policymaking process to be brought in line with international best practices in the area of data collection and analysis, through the review of current practices, financing of computer software and hardware, training and workshops, dissemination, and engagement of key decision makers and technical staff of the educational sector.

**Component 2: Introduction of International Examples and Best Practices of Education Financing Reforms to Government Officials**

Provision of technical assistance and support to key officials in the Ministry of Education, National Institute of Education, Ministry of Finance, and other relevant stakeholders to visit European countries in order to design, pilot and use alternatives methods of modern education financing mechanisms such as: (a) per-student financing mechanisms; (b) financial
autonomy and accountability of schools; (c) alternative financing approaches to the remuneration of teachers and school principals.

Component 3: Strengthening of Quality Assessment Practices in General Secondary Education

Provision of technical assistance and support to the Recipient to modernize its country’s learning assessment practices by: (a) evaluating the current learning assessment system in the country; (b) conducting training and workshops about international best practices in student assessment; and (c) undertaking preparatory activities for Belarus’s entry into international student assessment systems (such as, inter alia, the Programme for International Student Assessment and the Trends in International Mathematics and Science Study).

Component 4: Grant Implementation Support and Audit

Provision of technical assistance and support to finance fiduciary requirements of Grant implementation, such as training for Ministry of Education and National Institute of Education staff in the World Bank’s procurement and financial management procedures and financing audit report preparation.

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 the National Institute of Education (“NIE”) (“Project Implementing Entity”) 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. (a) The NIE is responsible for carrying out the financial management and disbursements of the Grant, including: (i) maintaining accounting records for Project activities; (ii) preparing periodic monitoring reports; (iii) budgeting and disbursing Grant funds; and (iv) arranging for Project audit.

(b) The Recipient, through the NIE, shall maintain throughout Project implementation a Working Group responsive for overseeing the Project implementation and build key capacities in the Ministry of Education in preparation for future educational reforms.

2.04. Project Monitoring, Reporting and Evaluation. (a) The Recipient, through the NIE, shall monitor and evaluate the progress of the Project and, prepare periodic 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 a period of six (6) months of project implementation and shall be furnished to the World Bank not later than 45 days after the date of such period.

(b) The Recipient, through the NIE, shall upon the World Bank’s request, 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 five months after the Closing Date.
2.05. **Financial Management.** (a) The Recipient, through the NIE, 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, through the NIE, shall ensure that interim unaudited financial reports for the Project are prepared and furnished to the World Bank not later than 45 (forty five) days after the end of each calendar semester, covering the semester, in form and substance satisfactory to the World Bank.

(c) The Recipient, through the NIE, 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 each fiscal year of the Recipient. The audited Financial Statements for each fiscal year shall be furnished to the World Bank not later than six months after the end of each fiscal year.

2.06. **Procurement**

(a) **General**

All goods, non-consulting services 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:

(i) Section I of 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”), in the case of goods and non-consulting services;

(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 and Non-consulting Services**

Goods and non-consulting services shall be procured under contracts awarded on the basis of Shopping and/or Direct Contracting.
(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 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; and (J) 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, through the NIE, 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 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) Goods</td>
<td>17,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Consultants’ services (including travel and per diem)</td>
<td>250,200</td>
<td>100%</td>
</tr>
<tr>
<td>(3) Training and workshops</td>
<td>52,800</td>
<td>100%</td>
</tr>
<tr>
<td>(4) Other (audit)</td>
<td>20,000</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>340,000</td>
<td></td>
</tr>
</tbody>
</table>
For the purposes of this Section, the term "Training and workshops" means expenses incurred, in connection with carrying out training activities under the Project including travel costs and per diem for trainees, study tours and workshops, rental of facilities and equipment and meals for participants of the workshops.

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 nor by the Project Implementing Entity.

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

Article IV
Effectiveness

4.01. 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.

4.02. Termination for Lack of Implementation or Disbursement. This agreement and its obligations shall terminate if, by September 16, 2014, the World Bank has not received evidence that the Recipient, through the NIE: (a) has signed any consulting services contract required for the Project; and/or (b) has requested a withdrawal of Grant proceeds; 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. Recipient’s Representative. The Recipient’s Representative referred to in Section 7.02 of the Standard Conditions is Minister of Education.

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

Ministry of Education
Sovetskaya Str. 9
Minsk 220010
Republic of Belarus
Tel.: +375 (17) 200 28 31
Fax: +375 (17) 327 47 36
e-mail: root@minedu.unibel.by
With a copy to:

Ministry of Finance
Sovetskaya Str. 7
Minsk 220010
Republic of Belarus
Tel.: +375 (17) 222 69 83
Fax: +375 (17) 222 45 93
e-mail: minfin@minfin.gov.by

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

Cable: INTBAFRAD  
Telex: 248423 (MCI) or 64145 (MCI)  
Facsimile: 1-202-477-6391