

**OFFICIAL
DOCUMENTS**

CREDIT NUMBER 5631-TJ

Financing Agreement

(Public Finance Management Modernization Project II)

between

REPUBLIC OF TAJIKISTAN

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated *February 17*, 2016

CREDIT NUMBER 5631-TJ

FINANCING AGREEMENT

AGREEMENT dated *February 17,* , 2016, entered into between the REPUBLIC OF TAJIKISTAN (“Recipient”) and the INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”). The Recipient and the Association hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

- 1.01. The General Conditions (as defined in the Appendix to this Agreement) 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 General Conditions or in the Appendix to this Agreement.

ARTICLE II — FINANCING

- 2.01. The Association agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a credit in an amount equivalent to four million Special Drawing Rights (SDR 4,000,000) (variously, “Credit” and “Financing”), to assist in financing the project described in Schedule 1 to this Agreement (“Project”).
- 2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section IV of Schedule 2 to this Agreement.
- 2.03. The Maximum Commitment Charge Rate payable by the Recipient on the Unwithdrawn Financing Balance shall be one-half of one percent (1/2 of 1%) per annum.
- 2.04. The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.
- 2.05. The Payment Dates are May 15 and November 15 in each year.
- 2.06. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.
- 2.07. The Payment Currency is Dollar.

ARTICLE III — PROJECT

- 3.01. The Recipient declares its commitment to the objective of the Project and the Program. To this end, the Recipient shall carry out the Project in accordance with the provisions of Article IV of the General Conditions.
- 3.02. Without limitation upon the provisions of Section 3.01 of this Agreement, and except as the Recipient and the Association 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 IV — EFFECTIVENESS; TERMINATION

- 4.01. The Additional Conditions of Effectiveness consist of the following:
- (a) The execution and delivery of the Financing Agreement (Grant) on behalf of the Recipient has been duly authorized or ratified by all necessary governmental action and all conditions precedent to its effectiveness (other than the effectiveness of this Agreement) have been fulfilled.
 - (b) The Recipient has adopted the Project Operational Manual.
 - (c) The Recipient has signed the contract for installation and adaptation of the 1C accounting software for Project accounting, budgeting and reporting under terms and in a manner acceptable to the Association.
- 4.02. The Effectiveness Deadline is the date one hundred eighty (180) days after the date of this Agreement.
- 4.03. For purposes of Section 8.05 (b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty (20) years after the date of this Agreement.

ARTICLE V — REPRESENTATIVE; ADDRESSES

- 5.01. The Recipient's Representative is the Minister of Finance.

5.02. The Recipient's Address is:

Ministry of Finance
3 Akademikho Rajabovho
Dushanbe, 734025
Republic of Tajikistan

Facsimile:

(992-372) 213320

5.03. The Association's Address is:

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

Cable:

Telex:

Facsimile:

INDEVAS
Washington, D.C.

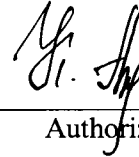
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AGREED at Dushanbe, Republic of Tajikistan, as of the day and year first above written.

REPUBLIC OF TAJIKISTAN

By



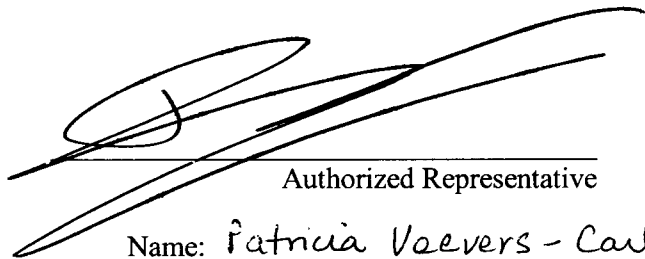
Authorized Representative

Name: Abdusalom Qurboniyon

Title: Minister of Finance

INTERNATIONAL DEVELOPMENT ASSOCIATION

By



Authorized Representative

Name: Patricia Veevers-Carter

Title: Country Manager

SCHEDULE 1

Project Description

The objective of the Project is to improve the effectiveness, control and accountability of the Recipient's public expenditures.

The Project constitutes the second phase of the Program and consists of the following parts:

Part 1. Public Finance Management Modernization

1. Design and implementation of Public Financial Management (PFM) reforms through, *inter alia*: (a) the provision of technical assistance to the MoF and other relevant Recipient's entities responsible for budget; (b) the carrying out of activities supporting the Recipient's change management process to implement PFM reforms, including the carrying out of a consultation process within the Recipient's public sector to assess the status of implementation of said reforms; (c) the design and implementation of Training courses and workshops on, *inter alia*, expenditure planning, budgeting, treasury, accounting and financial reporting; (d) the carrying out of a feasibility study on the introduction of a certification for PFM specialists; and (e) the provision and installation of Training and video-conferencing equipment, respectively.
2. Strengthening and implementation of the Recipient's Public Financial Management Information System ("TFMIS") through, *inter alia*: (a) the design of modules to support the implementation of commitment controls, cash management, purchase order processing and payroll management; (b) the integration of the TFMIS with other e-government systems of the Recipient, including human resources management and procurement systems; (c) the provision and installation of equipment (including software) for data recovery, document digitization, system security, expansion of network connectivity and storage in the Information Technology (IT) Center and regional offices, as necessary, including the provision of Training on the use of said equipment; and (d) the design and implementation of a strategy on developing more sophisticated and integrated financial management information systems.
3. Strengthening the Recipient and its state-owned enterprises' accounting and financial reporting practices through, *inter alia*: (a) the development of: (i) accounting policies; (ii) a model chart of accounts; and (iii) accounting manuals; all for state-owned enterprises; (b) the revision of financial reporting templates; (c) the carrying out of an assessment of the software requirements for processing and analyzing state-owned enterprises' financial statements; (c) the provision of Training to key accounting and financial reporting personnel of state-owned enterprises and relevant Recipient's officials on the preparation of interim financial

reports and proposed accounting policies developed under Part 1.3 (a)(i) above; (d) the provision of support to selected state-owned enterprises for transitioning to interim financial reports; and (e) the incorporation of IFAC/IASSB's International Standards of Auditing (ISA) into the Recipient's regulatory framework, followed by the provision of related Training.

Part 2. Improving Public Procurement

1. Improving the legal and regulatory framework of the Recipient's public procurement through, *inter alia*: (a) (i) carrying out of a review of the Public Procurement Law (PPL); and (ii) if a new legal procurement framework is enacted, preparation of regulations; and (b) (i) development of manuals, guidance notes for procurement procedures and contract management; and (ii) the update of Recipient's standard bidding documents based on the new legislation mentioned in (ii) herein.
2. Strengthening of the institutional capacity of the State Agency for Public Procurement through the provision of support for, *inter alia*: (a) carrying out a change management process to implement the procurement reforms mentioned in Part 2.1 of the Project, including carrying out of a consultation process with relevant stakeholders to assess the status of implementation of said reforms; (b) developing the State Agency for Public Procurements regulatory function, including developing a public procurement management system and a performance management framework for the Recipient's public procurement system; (c) improving access to procurement data, including through the publication and dissemination of annual public procurement performance reports; and (d) establishing an independent complaints handling mechanism.
3. (a) Development of an e-procurement system through the design and implementation of modules for e-tendering, including framework agreement, contract management, procurement planning, on-line complaint handling mechanism; (b) the development of interfaces between the e-procurement system and the TFMIS budget and treasury modules; and (c) the design and implementation of a communication strategy to raise awareness of said e-procurement system among users in both public and private sectors, including through the provision of technical assistance and Training.

Part 3. Strengthening External Audit

1. Strengthening the governance and management framework through, *inter alia*: (a) the review of the existing organization structure, (b) the design and implementation of an audit coverage expansion plan; (c) the provision of Training; (d) the participation in INTOSAI and other international and regional auditing events; and (e) the design and implementation of a communication strategy.

2. (a) the design and implementation of an audit methodology for compliance and performance audits; (b) the development of enabling tools for audit work planning and management and databases; (c) the provision of IT equipment for connectivity, communication, server and backup solutions; and (d) the design and implementation of an audit curriculum which includes technical and soft skills training.

Part 4. Managing Public Administration Reforms

1. Strengthening the institutional capacity of the Strategic Planning Unit through, *inter alia*: (a) the review and formal adoption of its organizational structure, functions, roles and responsibilities; (b) the development of a national strategic planning methodology and other related methodologies and sectorial strategies; (c) the development of strategic plans in key areas of public administration; (d) the carrying out of capacity building activities, including Training; and (e) the design and implementation of a communications strategy.
2. Design and implementation of the e-government roadmap through, *inter alia*: (a) the strengthening of the regulatory framework for e-government services and methodologies for the selection and prioritization of e-government services; (b) the design and implementation of a communication strategy; and (c) the carrying out of a pilot of selected e-government services (including business process reengineering and software development).
3. Strengthening of the Recipient's human resource management system through, *inter alia*: (a) the development and operationalization of the civil service registry system; (b) the development of an automated and integrated performance appraisal system; (c) the development and implementation of a training program on human resources business processes and IT systems management; and (d) the development of preliminary business processes for a recruitment and selection module.

Part 5. Project Management

Strengthening the Recipient's capacity through the provision of support for the implementation, monitoring and evaluation of the Project, including: (i) the carrying out of the Project audits; (ii) the carrying out of periodic user surveys (including dissemination of the results) to assess the impact of the reforms supported by the Project; and (iii) the carrying out of a communication campaign on the Project activities.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. The Recipient shall vest the overall responsibility for the implementation of the Project in the Ministry of Finance (MoF), and through the MoF, shall:
 - (a) operate and maintain, throughout Project implementation, the Administration and Procurement Support Team Unit (APST) with qualified staff in sufficient numbers, adequate funds, facilities, services and other resources for Project implementation, all acceptable to the Bank; and
 - (b) ensure that any additional staff of the APST financed under the Project shall be selected and hired in accordance with the provisions of Section III of this Schedule.
2. The Recipient, through APTS, shall: (a) carry out the Project in accordance with the requirements set forth in a manual acceptable to the Association (Project Operational Manual or POM); and (b) not assign, amend, abrogate, or waive the POM or any of its provisions, except with the prior written approval of the Association. In case of any conflict between the terms of the POM and those of this Agreement, the terms and conditions of this Agreement shall prevail.
3. The Recipient shall ensure, throughout Project implementation, the coordination among its offices, units and subordinated agencies/institutions (including the State Agency for Public Procurement (responsible for the technical implementation of Part 2 of the Project), the Executive Office of the President and its Civil Service Agency (responsible for the technical implementation of Part 4)), the Chamber of Accounts (responsible for the technical implementation of Part 3), the MoF (responsible for the implementation of Part 1 of the Project and the financial management and procurement aspects of the Project), and any other relevant ministry with technical, fiduciary and other Project related responsibilities for implementing the Project, all with powers, functions, capacity, staffing and resources acceptable to the Association to fulfill their respective responsibilities under the Project.

B. Anti-Corruption

The Recipient shall ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports and Mid-Term Review

1. The Recipient, through APTS, shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 4.08 of the General Conditions and on the basis of indicators acceptable to the Association. Each Project Report shall cover the period of one calendar quarter, and shall be furnished to the Association not later than forty-five (45) days after the end of the period covered by such report.
2. By September 30, 2018, or such other date as the Association shall agree upon, and without limitation to the provisions of Section 4.08 (b) of the General Conditions, the Recipient, through APTS, shall: (a) carry out jointly with the Association, a mid-term review on the progress achieved in the implementation of the Project; and (b) following such mid-term review, act promptly and diligently to take any corrective action recommended by the Association.

B. Financial Management, Financial Reports and Audits

1. The Recipient shall maintain, or cause to be maintained, a financial management system in accordance with the provisions of Section 4.09 of the General Conditions.
2. Without limitation on the provisions of Part A of this Section, the Recipient, through APST, shall prepare and furnish to the Association not later than forty five (45) days after the end of each calendar quarter, interim unaudited financial reports for the Project covering the quarter, in form and substance satisfactory to the Association.
3. The Recipient, through APST, shall have its Financial Statements audited in accordance with the provisions of Section 4.09 (b) of the General Conditions. Each audit of the Financial Statements shall cover the period of one fiscal year of the Recipient. The audited Financial Statements for each such period shall be furnished to the Association not later than six (6) months after the end of such period.

Section III. Procurement

A. General

1. **Goods and Non-consulting Services.** All goods and non-consulting services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Section I of the Procurement Guidelines, and with the provisions of this Section.

2. **Consultants' Services.** All consultants' services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Sections I and IV of the Consultant Guidelines, and with the provisions of this Section.
3. **Definitions.** The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the Association 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.

B. Particular Methods of Procurement of Goods and Non-consulting Services

1. **International Competitive Bidding.** Except as otherwise provided in paragraph 2 below, goods and non-consulting services shall be procured under contracts awarded on the basis of International Competitive Bidding.
2. **Other Methods of Procurement of Goods and Non-consulting Services.** The following methods, other than International Competitive Bidding, may be used for procurement of goods and non-consulting services for those contracts specified in the Procurement Plan: (a) National Competitive Bidding, subject to the following additional provisions set forth in Annex A to this Schedule; (b) Shopping; and (c) Direct Contracting.

C. Particular Methods of Procurement of Consultants' Services

1. **Quality- and Cost-based Selection.** Except as otherwise provided in paragraph 2 below, consultants' services shall be procured under contracts awarded on the basis of Quality and Cost-based Selection.
2. **Other Methods of Procurement of Consultants' Services.** The following methods, other than Quality and Cost-based Selection, may be used for procurement of consultants' services for those contracts 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; and (f) Selection of Individual Consultants.

D. Review by the Association of Procurement Decisions

1. The Procurement Plan shall set forth those contracts which shall be subject to the Association's Prior Review. All other contracts shall be subject to Post Review by the Association.

2. The Recipient, through APST, shall no later than June 30 of every year during the implementation of the Project, beginning on June 30, 2016 (or such other date as the Association shall agree upon): (i) prepare and furnish to the Association a procurement progress report (Procurement Report), in form and substance acceptable to the Association, which shall include, *inter alia*: (A) a description of the issues which arose during the full procurement cycle under the Project during the twelve (12) months preceding the date of presenting each Procurement Report, from design through planning, bidding, contract implementation and completion; (B) a list of proposed measures and actions to be taken to resolve the issues identified under (A) above; and (C) a proposed timeline for the implementation of the said measures and actions; and (ii) thereafter implement the proposed measures and actions under each Procurement Report in accordance with its terms and in a manner acceptable to the Association.

Section IV. Withdrawal of the Proceeds of the Financing

A. General

1. The Recipient may withdraw the proceeds of the Financing in accordance with the provisions of Article II of the General Conditions, this Section, and such additional instructions as the Association shall 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 Association and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the table in paragraph 2 below.
2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Financing ("Category"), the allocations of the amounts of the Financing to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

Category	Amount of the Credit Allocated (expressed in SDR)	Percentage of Expenditures to be Financed (exclusive of VAT and customs taxes and related fees)
Goods, non-consulting services, consultants' services, Training and Incremental Operating Costs for the following Parts of the Project: 1.1 (e), 1.2 (c) and (d), 2, 4.2, 4.3 (a) and (b), and 5	4,000,000	100%
TOTAL AMOUNT	<u>4,000,000</u>	

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 June 30, 2021.

**ANNEX A
TO
SCHEDULE 2**

NATIONAL COMPETITIVE BIDDING

The procurement procedure to be followed for National Competitive Bidding shall be the tendering with unlimited participation procurement method set forth in Law #168, the Law of the Republic of Tajikistan on "Public Procurement of Goods, Works and Services," dated March 3, 2006 (as amended by Law #815, the Law of the Republic of Tajikistan on "Introduction of Amendments and Additions to the Law of the Republic of Tajikistan on 'Public Procurement of Goods, Works and Services'" dated April 16, 2012) ("the PPL"); provided, however, that such procedure shall be subject to: (a) the provisions of Section I and paragraphs 3.3 and 3.4 of the Procurement Guidelines (as required by paragraph 3.3 of the Guidelines); and (b) the following paragraphs:

Participation in bidding

1. Eligibility: Eligibility of bidders to participate in a procurement process and to be awarded an Association financed contract shall be as defined under Section I of the Procurement Guidelines; accordingly, no bidder or potential bidder shall be declared ineligible for contracts financed by the Association for reasons other than those provided in Section I of the Procurement Guidelines.
2. Domestic Preference: No domestic preference may be applied in bid evaluation on the basis of bidder nationality, the origin of goods, services or labor, and/or preferential programs.
3. Bidding Documents: Procuring entities shall use the appropriate standard bidding documents acceptable to the Association, which documents shall be prepared so as to ensure economy, efficiency, transparency, and broad consistency with the provisions of Section I of the Procurement Guidelines. Until a modified version of the Recipient's standard bidding documents has been approved by the Association, the Association's sample NCB bidding documents for the Europe and Central Asia Region shall be used.
4. Bid Validity: The bid validity period required by the bidding documents shall be sufficient to account for any period that may be required for the approval and registration of the contract as contemplated in the PPL. An extension of bid validity, if justified by exceptional circumstances, may be requested in writing from all bidders before the original bid validity expiration date, provided that such extension shall cover only the minimum period required to complete the evaluation, award a contract, and/or complete the registration process. No further extensions shall be requested without the prior written concurrence of the Association.

5. Qualification: Qualification criteria shall be clearly specified in the bidding documents. All criteria so specified, and only such specified criteria, shall be used to determine whether a bidder is qualified. Qualification shall be assessed on a “pass or fail” basis, and merit points shall not be used. Such assessment shall be based entirely upon the bidder’s or prospective bidder’s capability and resources to effectively perform the contract, taking into account objective and measurable factors, including: (i) relevant general and specific experience, and satisfactory past performance and successful completion of similar contracts over a given period; (ii) financial position; and where relevant (iii) capability of construction and/or manufacturing facilities.

Prequalification procedures and documents acceptable to the Association shall be used for large, complex and/or specialized works contracts. Verification of the information upon which a bidder was prequalified, including current commitments and the bidder’s capability with respect to personnel and equipment, shall be carried out at the time of contract award. In the procurement of goods and works where prequalification is not used, the qualification of the bidder who is recommended for award of contract shall be assessed by post-qualification, applying the qualification criteria stated in the bidding documents.

6. Guarantees: Guarantees shall be in the format specified in the bidding documents. The bid guarantee shall be valid for twenty-eight days (28) beyond the original validity period of the bid, or beyond any period of extension if requested.
7. Bid Submission and Bid Opening: Prospective bidders shall be given at least thirty (30) days from the date of publication of the invitation to bid or the date of availability of the bidding documents, whichever is later, to prepare and submit bids. Bids may be delivered by mail or by hand. Bids shall be opened in public immediately after the deadline for their submission. The minutes of bid opening shall be signed by the members of the bidding committee immediately after bid opening. A copy of the bid opening minutes shall be promptly provided to all bidders who submitted bids, and to the Association with respect to contracts subject to the Association’s prior review. No bids shall be rejected at bid opening.
8. Bid Evaluation and Award of Contracts: Bidders shall not be allowed to be present during bid evaluation, and no information relating to the evaluation of bids shall be disclosed to bidders until the bidders are notified of the contract award.

Evaluation criteria shall be clearly specified in the bidding documents. Evaluation of bids shall be made in strict adherence to the criteria specified in the bidding documents. All bid evaluation criteria other than price shall be quantifiable in monetary terms. Merit points shall not be used, and no minimum point or percentage value shall be assigned to the significance of price, in bid evaluation. Bidders shall not be eliminated on the basis of minor, nonmaterial deviations.

Contracts shall be awarded to the qualified bidder whose bid has been determined: (i) to be substantially responsive to the bidding documents; and (ii) to offer the lowest-evaluated cost.

A bidder shall not be required, as a condition for award, to undertake obligations not specified in the bidding documents or otherwise to modify the bid as originally submitted.

9. Cost Estimates: Cost estimates shall be confidential and shall not be disclosed to prospective bidders. No bids shall be rejected on the basis of comparison with the cost estimates and/or budget ceiling without the Association's prior written concurrence.
10. Rejection of Bids and Re-bidding: No bids shall be rejected solely because they fall outside a pre-determined margin or "bracket" of prices. All bids (or the sole bid if only one bid is received) shall not be rejected, the procurement process shall not be cancelled, and new bids shall not be solicited without the Association's prior written concurrence.
11. Contract Modifications: With respect to contracts subject to the Association's prior review, the Recipient shall obtain the Association's no objection before agreeing to: (i) a material extension of the stipulated time for performance of a contract; (ii) any substantial modification of the contract scope of services or other significant changes to the terms and conditions of the contract; (iii) any variation order or amendment (except in cases of extreme urgency) which, singly or combined with all variation orders or amendments previously issued, increases the original contract amount by more than fifteen percent (15%); or (iv) the proposed termination of the contract. A copy of all contract amendments shall be provided to the Association.
12. Fraud and Corruption: The bidding documents and contract as deemed acceptable by the Association shall include provisions stating the Association's policy to sanction firms or individuals, found to have engaged in fraud and corruption as defined in the Procurement Guidelines.
13. Inspection and Audit Rights: In accordance with the Procurement Guidelines, each bidding document and contract financed out of the proceeds of the Financing shall provide that bidders, suppliers and contractors, and their subcontractors, agents, personnel, consultants, service providers, or suppliers, shall permit the Association to inspect all accounts, records, and other documents relating to the submission of bids and contract performance, and to have them audited by auditors appointed by the Association. Acts intended to materially impede the exercise of the Association's inspection and audit rights provided for in the Procurement Guidelines constitute an obstructive practice as defined in the Procurement Guidelines.

SCHEDULE 3
Repayment Schedule

Date Payment Due	Principal Amount of the Credit repayable (expressed as a percentage)*
On each May 15 and November 15, commencing November 15, 2021 to and including May 15, 2053	1.5625%

* The percentages represent the percentage of the principal amount of the Credit to be repaid, except as the Association may otherwise specify pursuant to Section 3.03 (b) of the General Conditions.”

APPENDIX

Definitions

1. “Anti-Corruption Guidelines” means 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.
2. “Administrative and Procurement Support Team Unit” or “APST” means the unit established within the MoF, and referred to in Section I.A.1 (a) of Schedule 2 to this Agreement.
3. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
4. “Chamber of Accounts” means the Recipient’s Chamber of Accounts established pursuant to the Recipient’s Law on External Audit, dated June 2011, or any successor thereto.
5. “Civil Service Agency” means the Recipient’s Civil Service Agency.
6. “Consultant Guidelines” means the “Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011 (revised July 2014).
7. “Executive Office of the President” means the Recipient’s Executive Office of the President, established pursuant to Recipient’s Regulation No. 116, dated January 17, 2014.
8. “Financing Agreement (Grant)” means the Financing Agreement of even date between the Recipient and the Association to assist in the financing of part of the Project through the provision of a Grant in an amount of three million two hundred thousand Special Drawing Rights (SDR 3,200,000).
9. “General Conditions” means the “International Development Association General Conditions for Credits and Grants”, dated July 31, 2010.
10. “IFAC/IAASB” means International Federation of Accountants/International Auditing and Assurance Standards Board.
11. “Incremental Operating Costs” means expenditures incurred by the APST on account of Project implementation for travel; rent of premises and utilities; office supplies; communication costs; bank charges; operation, maintenance and insurance of vehicles (including fuel and insurance); maintenance of office equipment; printing, publications and advertisements (electronic and/or paper);

translation; consumables; salaries of contractual staff assigned to APST (but excluding salaries of the Recipient's civil servants and permanent employees); and other expenditures to be agreed upon between the Recipient and the Association, all based on quarterly budget plans acceptable to the Association.

12. "Information Technology (IT) Center" means the Information Technology Center established within the MoF.
13. "INTOSAI" means International Organization of Supreme Audit Institutions.
14. "Ministry of Finance" or "MoF" means the Recipient's Ministry of Finance, or any successor thereto.
15. "Procurement Guidelines" means 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 (revised July 2014).
16. "Procurement Plan" means the Recipient's procurement plan for the Project, dated March 19, 2015 and referred to in paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.
17. "Procurement Report" means any of the reports referred to in Section III.D.2 of Schedule 2 to this Agreement.
18. "Program" means the Recipient's Public Financial Management Strategy for 2009-2018 designed to improve the effectiveness and transparency of public financial management, pursuant to the Recipient's Decree No. 634, dated March 20, 2009.
19. "Project Operational Manual" or "POM" means the operational manual, satisfactory to the Association, adopted by the Recipient and setting out the operational and administrative procedures for the implementation of the Project, including the criteria for selecting the state-owned enterprises under Part 3(d) of the Project, as the same may be amended from time to time with the prior written approval of the Association.
20. "Public Procurement Law" or "PPL" means the Recipient's Law #168 on "Public Procurement of Goods, Works and Services," dated March 3, 2006 (as amended by Law #815, the Law of the Republic of Tajikistan on "Introduction of Amendments and Additions to the Law of the Republic of Tajikistan on 'Public Procurement of Goods, Works and Services'" dated April 16, 2012).
21. "State Agency for Public Procurement" means the Recipient's State Agency for Public Procurement established pursuant to Recipient's Resolution No. 228, dated May 3, 2010.

22. "Strategic Planning Unit" means the unit within the Executive Office of the President in charge of policy coordination within the Recipient's public sector.
23. "Training" means expenditures (other than those for Consultants' Services) incurred by the Recipient to finance Project related study tours, training courses, seminars, workshops and other training activities, including costs of training materials, space and equipment rental, travel and *per diem* costs of trainees, and trainers and trainers' fees, based on an annual budget agreed with the Association.
24. "VAT" means Value-Added Tax.