

The World BankINTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION**OFFICIAL DOCUMENTS**1818 H Street N.W.
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August 18, 2015

#04630/15

H.E. Rustam Azimov
First Deputy Prime-Minister
Minister of Finance
Ministry of Finance
Tashkent
Republic of Uzbekistan

Dear Mr. Azimov:

*Re: MDTF Grant No. TF0A0760
Preparation of the Modernization of Real Property Registration and Cadaster Project*

In response to the request for financial assistance made on behalf of the Republic of Uzbekistan ("Recipient"), I am pleased to inform you that the International Bank for Reconstruction and Development/International Development Association (collectively, the "World Bank"), acting as administrator of grant funds provided under the Multi-Donor Programmatic Trust Fund for Europe and Central Asia Region Capacity Development, proposes to extend to the Recipient, a grant in an amount not to exceed four hundred thousand United States Dollars (US\$400,000) ("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").

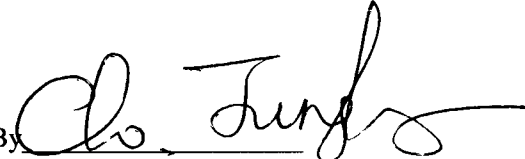
This Grant is funded out of the abovementioned trust fund for which the World Bank receives periodic contributions from the Donors. In accordance with Section 3.02 of the Standard Conditions (as defined in the Annex to this Agreement), the World Bank's payment obligations in connection with this Agreement 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.

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effective as of the date of the countersignature; provided, however, that the offer of this Agreement shall be deemed withdrawn if the World Bank has not received the countersigned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.

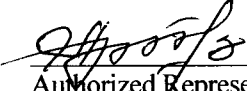
Very truly yours,

**INTERNATIONAL DEVELOPMENT ASSOCIATION
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT**

By: 
Junghun Cho
Country manager for Uzbekistan

AGREED:

REPUBLIC OF UZBEKISTAN

By: 
Authorized Representative

Name: Saidkul Arabov

Title: Chairman of Gosumzemgeodescadastre

Date: October 28, 2015

Enclosures:

- (1) Standard Conditions for Grants Made by the World Bank Out of Various Funds, dated February 15, 2012.
- (2) Disbursement Letter of the same date as this Agreement, together with World Bank Disbursement Guidelines for Projects, dated May 1, 2006.
- (3) 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.
- (4) Procurement Guidelines dated January 2011 and revised July 2014.
- (5) Consultants Guidelines dated January 2011 and revised July 2014.

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 below additional terms have the following meanings:

- (a) “GKZGDK” means the Recipient’s State Committee on Land Resources, Geodesy, Cartography and State Cadaster, or any legal successor thereto.
- (b) “MRPRCP” means the proposed Modernization of Real Property Registration and Cadaster Project.
- (c) “ICT” means information and communications technology.
- (d) “Project Operational Manual” means the manual to be prepared under Part III(c) of the Project for the purposes of the proposed MRPRCP.

Article II
Project Execution

2.01. **Project Objectives and Description.** The objective of the grant funds is to ensure that ICT investment plans and technical specifications of the MRPRCP are of international best practice and regional standards.

The Project consists of the following parts:

Part I: Real Property Registration and Cadaster System Development

Provision of support for:

- (a) carrying out an assessment of the existing operational environment, current standards, and business needs for the development of an electronic real property registration and cadaster system;
- (b) developing ICT system investment planning; and
- (c) carrying out a Study Tour to best practice countries in Europe and Central Asia region, to be selected based on the criteria which will be agreed with GKZGDK and recorded in an aide memoire.

Part II: Real Property and Cadaster Data

Provision of support for:

- (a) carrying out an assessment of the data to be included the electronic real property registration and cadaster system; and
- (b) carrying out of an investment planning for, *inter alia*, the collection of data (including legal and geographic information), conversion of data into different format, and the development of technical specifications on how to use such data.

Part III: Regulatory and Institutional Development and Capacity Building

Provision of support for:

- (a) carrying out an assessment of the policy and regulatory environment for the electronic real property registration and cadaster system;
- (b) carrying out an environmental and social assessment and preparing an Environmental and Social Management Framework for MRPRCP;
- (c) developing the Monitoring and Evaluation framework for MRPRCP;
- (d) preparing Project Operational Manual; and
- (e) carrying out project management, including in the areas of procurement, audit, capacity building, and provision of Training.

2.02. ***Project Execution Generally.*** The Recipient declares its commitment to the objectives of the grant funds. To this end, the Recipient shall carry out the Project, through GKZGDK, 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 Recipient shall ensure, through GKZGDK, that a Project Implementation Unit is maintained throughout the implementation of the Project with terms of reference and composition acceptable to the World Bank.

(b) The Recipient shall ensure, through GKZGDK, that necessary modification of the accounting software is carried out in a manner satisfactory to the World Bank.

2.04. **Donor Visibility and Visit.** 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.

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 acceptable to the World Bank. Each Project Report shall cover the period of 6 months, and shall be furnished to the World Bank not later than one 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 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.

2.07. **Procurement.** All goods, and consulting services required for the Project and to be financed, fully or partially, out of the proceeds of the Grant shall be procured in accordance with the requirements set forth or referred to in 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 in July 2014 ("Procurement Guidelines"), and the "Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers", dated January 2011, revised in July 2014 ("Consultant Guidelines").

2.08. Any contract for Eligible Expenditures to be financed in full or in part out of the proceeds of the Grant shall be included in the procurement plan prepared by the Recipient and approved by the Bank in accordance with the Procurement Guidelines and the Consultant Guidelines, prior to initiating the procurement process for any such contract.

Article III Withdrawal of Grant Proceeds

3.01. **Eligible Expenditures.** (a) The Recipient may withdraw the proceeds of the Grant in accordance with the provisions of: (i) Article III of the Standard Conditions; (ii) this Section; and (iii) 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:

Category	Amount of the Grant Allocated (expressed in US)	Percentage of Expenditures to be Financed (exclusive of Taxes, except Withheld Taxes)
(a) Consultants' services	\$330,000	100%
(b) Goods	\$5,000	100%
(c) Training	\$40,000	100%
(d) Study Tour	\$20,000	100%
(e) Incremental Operating Costs	\$5,000	100%
TOTAL AMOUNT	<u>\$400,000</u>	

(b) Unless otherwise agreed by the World Bank, the Recipient shall ensure that the amounts allocated to finance the Eligible Expenditures under Categories (b), (c), (d) and (e) do not exceed the financing thresholds established for said Eligible Expenditures pursuant to the Rules of Operation.

(c) For the purposes of this paragraph, the following terms have the meanings ascribed to them in this Agreement:

- (i) "Incremental Operating Costs" means the incremental expenses incurred by GKZGDK on account of Project implementation, management, monitoring and supervision (as such expenditures are set forth in the PIU semi-annual budget acceptable by the World Bank), including office supplies, office equipment maintenance, rental of office space, utility bills, communication, and any other incremental expense incurred by GKZGDK on account of Project implementation, provided that all said expenses are deemed acceptable to the World Bank.
- (ii) "Rules of Operation" means the Bank's set of rules and procedures dated July 2014 applicable to the Multi-donor Programmatic Trust Fund for Europe and Central Asia Region Capacity Development (ECAPDEV), containing, *inter alia*, the criteria for eligible countries, the approval process for grants, the financing thresholds of Eligible Expenditures and the applicable governance arrangements; as the same may be amended from time to time by agreement between the Donor(s) of ECAPDEV and the Bank.
- (iii) "Study Tours" means the reasonable costs, as shall have been approved by the World Bank, for training outside the Recipient's territory conducted under the Project, including travel and subsistence costs for training participants (but excluding academic studies leading to a degree).

- (iv) "Training" means the reasonable costs, as shall have been approved by the World Bank, for training and workshops conducted under the Project, including tuition and subsistence costs for training and workshop participants, costs associated with securing the services of trainers and workshop speakers, rental of training and workshop facilities, preparation and reproduction of training and workshop materials, and other costs directly related to training course and workshop preparation and implementation (but excluding goods, consultants' services and Study Tours).

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 June 30, 2016.

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 the Minister of Finance.

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

State Committee of the Republic of Uzbekistan for Land Resources,
Geodesy, Cartography and State Cadastre
Chopon ota str., Block C
Chilanzar 100097
Tashkent
Republic of Uzbekistan

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

Cable:

Telex:

Facsimile:

INTBAFRAD

INDEVAS

Washington, D.C.

248423 (MCI) or
64145 (MCI)

1-202-477-6391