

World Bank Office, Dhaka

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

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February 14, 2011

Mr. M Musharraf Hossain Bhuiyan
Secretary
Economic Relations Division
Ministry of Finance
Block 8, Room 3
Sher-e-Bangla Nagar, Dhaka

Dear Mr. Bhuiyan:

*TFSCB Grant Agreement for National Strategy for the
Development of Statistics (NSDS) - Grant Number: TF098635*

In response to the request for financial assistance made on behalf of People's Republic of Bangladesh ("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 through the Trust Fund for Statistical Capacity Building (TFSCB), proposes to extend to the Recipient a grant in an amount not to exceed one hundred thirty nine thousand sixty one United States Dollars (U.S.\$ 139,061.00) ("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. In accordance with Section 3.02 of the Standard Conditions (as defined in the Annex to this Agreement), the Recipient may withdraw the Grant proceeds 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. 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effective as of the date of the countersignature; provided, however, that the offer of this Agreement shall be deemed withdrawn if the World Bank has not received the countersigned copy of this Agreement within 45 days after the date of signature of this Agreement by the World Bank,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.

Sincerely,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT/
INTERNATIONAL DEVELOPMENT ASSOCIATION

By: /s/ Ellen Goldstein
Ellen A. Goldstein
Country Director
World Bank Office, Dhaka

AGREED:

PEOPLE'S REPUBLIC OF BANGLADESH

By: /s/ M Musharraf Hossain Bhuiyan

Name: M Musharraf Hossain Bhuiyan

Title: Secretary, Economics Relations Division, Ministry of Finance

Date: March 27, 2011

Attachment

- (1) Standard Conditions for Grants Made by the World Bank out of Various Funds, dated July 31, 2010.
- (2) Disbursement Letter dated February 14, 2011 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 July 31, 2010 ("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.

Article II
Project Execution

2.01. **Project Objectives and Description.** The objective of the Project is to support the Recipient to prepare and approve a national strategy for the development of statistics as a basis for strengthening the statistical system of the country over a period of about five years. The Project consists of the following parts:

Part I. Launching the process: Launching of the NSDS preparation process by the National Statistics Council (NSC), which would include: setting up the NSDS Steering Committee; establishing the Project Management Unit; finalizing the road map and the timetable; identification of the process to monitor progress; conducting a workshop to sensitize stakeholders and agreeing on the scope of the NSDS.

Part II. Assessment: Setting up the mechanisms needed for evaluation, information sharing and advocacy, which would include: conducting assessment of the current system with respect to staff satisfaction and customer satisfaction; conducting assessment of the governance of the national statistical system; conducting assessment of the current system relating to statistical production and its performance, including meeting national and international standards; conducting general Strength, Weakness, Opportunities and Threats (SWOT) analysis; and dissemination of information on the assessment of the current situation for review and approval by the NSC.

Part III. Visioning and definition of strategies: Organizing workshops for key stakeholders in NSC, Government of Bangladesh, and the donor community; preparing report on the outcomes of the workshops and a set of agreed priority focal areas and scenarios; carry out comparative study of the advantages and disadvantages of the scenarios developed; and preparing draft proposals and submitting it for review and approval by NSC.

Part IV. Preparation of Action Plans: Preparing action plans for each priority area, with detailed timetables and budgets, which would include: finalizing reports on strategies and creating action plans for different elements chosen as priorities; designing a mechanism for monitoring the implementation of the NSDS; designing an implementation plan for the NSDS to cover the entire period of the Plan; establishing the draft activity program for the first two years; consolidating all decisions and documents on the NSDS for reviewing and approval by NSC, and preparing this for submission to cabinet for final approval and launch of the NSDS.

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 Bangladesh Bureau of Statistics 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 ("Anti-Corruption Guidelines"), with the modifications set forth in the Appendix to this Agreement; and (c) this Article II.

2.03. ***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 Donors' 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, enable the representatives of the Donors to visit any part of the Recipient's territory for purposes related to the Project.

2.04. ***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 set forth below in paragraph (b) of this Section. Each Project Report shall cover the period of one calendar quarter, 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 performance indicators referred to above in paragraph (a) consist of the following:

- (i) Sensitization workshop completed, report prepared and published on BBS web-site.
- (ii) Assessment completed, report prepared, approved by the National Statistics Council and published on the BBS web-site.
- (iii) Vision and strategy completed, approved by NSC and published on the BBS web-site.
- (iv) NSDS completed, action plans approved by NSC and published on the BBS web-site.
- (v) Cabinet submission prepared, approved and submitted to the Cabinet Office.

(c) 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.

2.05. ***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 as part of the Project Report not later than one month after the end of each calendar quarter, covering the quarter, 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 period of one fiscal year of the Recipient. 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.

2.06. ***Procurement***

(a) General. All 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) Sections I (excluding paragraph 1.24) and IV of the "Guidelines: Selection and Employment of Consultants by World Bank Borrowers" published by the World Bank in May 2004 and revised in October 2006 and May 2010 ("Consultant Guidelines") in the case of consultants' services; and

(ii) the provisions of this Section.

(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 the Consultant Guidelines.

(c) 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 the Bank agrees meet the requirements set forth in the Consultant Guidelines for their use: (A) Quality-based Selection; (B) Selection under a Fixed Budget; (C) Least Cost Selection; (D) Selection based on Consultants' Qualifications; (E) Single-source Selection; (F) Selection of Individual Consultants.

(e) Review by the World Bank of Procurement Decisions. Except as the World Bank shall otherwise determine by notice to the Recipient, the following contracts shall be subject to Prior Review by the World Bank: the first contract for consultants' services provided by a firm irrespective of the cost and each contract estimated to cost the equivalent of \$100,000 or more. 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 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 "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 USD)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Consultants' services	117,161	100%
(2) Training and Workshops	21,900	100%
TOTAL AMOUNT	139,061	

For the purposes of this Section, the term "Training and Workshops" means reasonable expenditures incurred by the Recipient for the carrying out of training and workshop activities, including expenditures for facilities rental, materials printing and photocopying, supplies, course fees, and travel and subsistence of participants.

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, 2012.

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 Secretary, or the Additional Secretary, or any Joint Secretary, or Deputy Secretary, or Senior Assistant Secretary, or Assistant Secretary, or Joint Chief, or Deputy Chief, or Senior Assistant Chief, or Assistant Chief of the Economic Relations Division of the Recipient's Ministry of Finance.

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

Economic Relations Division
Ministry of Finance
Government of the People's Republic of Bangladesh
Sher-e-Bangla Nagar
Dhaka, Bangladesh

Facsimile: 88028113088

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

Cable:	Telex:	Facsimile:
INTBAFRAD		
INDEVAS	248423 (MCI) or	1-202-477-6391
Washington, D.C.	64145 (MCI)	

Modifications to the Anti-Corruption Guidelines

The modifications to the Anti-Corruption Guidelines are as follows:

1. Section 5 is re-numbered as Section 5(a) and a new Section 5(b) is added to read as follows:

"...(b)These Guidelines also provide for the sanctions and related actions to be imposed by the Bank on Borrowers (other than the Member Country) and all other individuals or entities who are recipients of Loan proceeds, in the event that the Borrower or the individual or entity has been debarred by another financier as a result of a determination by such financier that the Borrower or the individual or entity has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of a financing made by such financier."

2. Section 11(a) is modified to read as follows:

"... (a) sanction in accordance with prevailing Bank's sanctions policies and procedures (fn13) a Borrower (other than a Member Country) (fn 14) or an individual or entity, including (but not limited to) declaring such Borrower, individual or entity ineligible publicly, either indefinitely or for a stated period of time: (i) to be awarded a Bank-financed contract; (ii) to benefit from a Bank-financed contract, financially or otherwise, for example as a sub-contractor; and (iii) to otherwise participate in the preparation or implementation of the project or any other project financed, in whole or in part, by the Bank, if at any time the Bank determines (fn 15) that such Borrower, individual or entity has engaged in corrupt, fraudulent, collusive, coercive or obstructive practices in connection with the use of loan proceeds, or if another financier with which the Bank has entered into an agreement for the mutual enforcement of debarment decisions has declared such person or entity ineligible to receive proceeds of financings made by such financier or otherwise to participate in the preparation or implementation of any project financed in whole or in part by such financier as a result of a determination by such financier that the Borrower or the individual or entity has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of a financing made by such financier."

Footnotes:

"13. An individual or entity may be declared ineligible to be awarded a Bank financed contract upon completion of sanctions proceedings pursuant to the Bank's sanctions policies and procedures, or under the procedures of temporary suspension or early temporary suspension in connection with an ongoing sanctions proceeding, or following a sanction by another financier with whom the Bank has entered into a cross debarment agreement, as a result of a determination by such financier that the firm or individual has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of a financing made by such financier."

"14. Member Country includes officials and employees of the national government or of any of its political or administrative subdivisions, and government owned enterprises and agencies that are not eligible to bid under paragraph 1.8(b) of the Procurement Guidelines or participate under paragraph 1.11(c) of the Consultant Guidelines."

"15. The Bank has established a Sanctions Board, and related procedures, for the purpose of making such determinations. The procedures of the Sanctions Board sets forth the full set of sanctions available to the Bank. In addition, the Bank has adopted an internal protocol outlining the process to be followed in implementing debarments by other financiers, and explaining how cross-debarments will be posted on the Bank's website and otherwise be made known to staff and other stakeholders."