



## The World Bank

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT  
INTERNATIONAL DEVELOPMENT ASSOCIATION

### Hedi Larbi

Director, Middle East Department  
Middle East & North Africa Region

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CONFORMED COPY  
March 17, 2011

H.E. Mr. Nassar Al Rubai'i  
Acting Minister for Planning  
Ministry of Planning  
Baghdad, Iraq

***Re: IRAQ - World Bank Iraq Trust Fund Grant Agreement for Rationalization of the Universal Public Distribution System Technical Assistance Project - Grant Number TF098607***

Excellency,

I am writing on behalf of the International Development Association (the "Association") to indicate the Association's agreement, as administrator of grant funds provided by various donors (collectively the "Donors")<sup>1</sup> under the World Bank Iraq Trust Fund, to make a grant in an amount not exceeding Two Million and Six Hundred Thousand United States Dollars (US\$ 2,600,000) (the "Grant") to the Ministry of Planning of the Republic of Iraq (the "Recipient").

The Grant is made in response to the Recipient's request for financial assistance and for the purposes and on the terms and conditions set forth in the Annex to this Letter Agreement. The Recipient hereby confirms its request that the Association carry out the activities described in paragraph 1 of the Annex to this Letter Agreement, and represents that it is authorized to contract the Grant for the said purposes and on the said terms and conditions.

Please note that it is the Association's policy to make publicly available this Letter Agreement and any information related thereto, after this Letter Agreement has become effective and the Recipient has given its consent to such disclosure. The Recipient, by countersigning this Letter Agreement, confirms its consent to such disclosure.

Please confirm your agreement with the foregoing, on behalf of the Recipient, by signing, dating, and returning to us the enclosed copy of this Letter Agreement. Upon receipt by the Association of the copy of this Letter Agreement countersigned by you, this Letter Agreement will become effective as of the date of the countersignature.

Very truly yours,

INTERNATIONAL DEVELOPMENT ASSOCIATION

/s/ Hedi Larbi  
Director  
Middle East Department

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<sup>1</sup> The following donors have provided contributions to the World Bank Iraq Trust Fund: Australia, Canada, European Community, Finland, Iceland, India, Japan, Republic of Korea, Kuwait, Netherlands, Norway, Qatar, Spain, Sweden, Turkey, United Kingdom, and United States.

Middle East and North Africa Region

CONFIRMED AND AGREED:

MINISTRY OF PLANNING

By: /s/ Nassar Al Rubai'i

Name: Nassar Al Rubai'i

Title: Acting Minister for Planning

Date: March 30, 2011

IRAQI STRATEGIC REVIEW BOARD

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

### **Purposes, Terms and Conditions of the Grant**

1. The purpose of the Grant is to strengthen the Recipient's technical and institutional capacity to implement the rationalization of the universal public distribution system. The activities (the "Activities") for which the Grant is given are as follows:

- a) Strengthen technical and administrative capacity of the Recipient by developing targeting tools and adequate databases and supporting the development of integrated social protection programs;
- b) Support the development and implementation of the universal public distribution system communication strategy to build national consensus for reform; and
- c) Assist with the design of an effective monitoring and evaluation system.

2. The Grant shall be used to finance consultants' services and Training required for the Activities and Bank staff costs associated with the implementation of the Activities.

For the purposes of this Paragraph 2, "Training" means study tours, training courses, seminars, workshops, translation and interpretation, printing, photocopying and advertising, training materials, space and equipment rental, communication costs, transportation, travel, accommodation costs and per diem costs of trainees and trainers, trainers' fees, and other training activities, not included under service providers' contracts.

3. The Association shall carry out the Activities on behalf of the Recipient. The Recipient shall cooperate with the Association to the extent necessary to permit the Association to carry out the Activities promptly and effectively, and to evaluate the results of the Activities. The Recipient shall indemnify the Association against any costs or liabilities incurred by the Association as a result of claims against the Association in connection with the Activities, except those resulting from the gross negligence or willful misconduct of its staff or external consultants.

4. The Association shall carry out the Activities pursuant to this Letter Agreement only to the extent that the Grant funds required for such Activities are available to the Association from the Donors.

5. The Activities shall be completed by not later than June 30, 2013, or such later date as the Association may establish by notice to the Recipient (the "Closing Date"). After the Closing Date, the Association may at any time cancel the remaining balance of the Grant.

6. The engagement and supervision of the consultants (the "Consultants") required to assist in the carrying out of the Activities shall be the responsibility solely of the Association and shall be done according to the Association's applicable procedures.

7. The Recipient may at any time request the Association in writing to terminate the Activities. Whether or not the Recipient has made such a request, the Association may at any time suspend or, after consultation with the Recipient, terminate the right of the Recipient to receive Grant funds for the Activities if any of the following events has occurred and is continuing: (a) the Recipient has failed to perform any of its obligations under this Letter Agreement; or (b) the right of the Recipient or the Republic of Iraq, or any other entity to which the International Bank for Reconstruction and Development (the "IBRD") has made a loan with the guarantee of the Republic of Iraq, to make withdrawals under any loan agreement with the IBRD or any development credit, grant or financing agreement with the Association has been suspended.

8. The Association is not an agent of, or trustee for, the Recipient and shall not have any fiduciary relationship with the Recipient. The Recipient shall have no right to any portion of the Grant that is not expended by the Association pursuant to this Letter Agreement.

Copy to:

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