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South Caucasus Regional Office

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Mercy Tembon
Regional Director

April 10, 2017

Ms. Tamar Golubiani
Director
Save the Children International
Branch of Georgia
27/B Mitskevich Street, 4th Floor
Tbilisi, Georgia 0160

Re: GPSA Grant No. TF0A4473
Improving Preschool Education in Georgia through Social Accountability Processes
Letter Agreement

Dear Ms. Golubiani:

In response to the request for financial assistance made on behalf of Save the Children International Branch of Georgia (“Recipient”), I am pleased to inform you that the International Bank for Reconstruction and Development (“World Bank”), acting as administrator of grant funds provided by various donors (“Donors”) under the Global Partnership for Social Accountability, proposes to extend to the Recipient for the benefit of Georgia (“Member Country”), a grant in an amount not to exceed six hundred eighty thousand United States Dollars (USD 680,000) (“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.

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.

5A, Ramishvili Street
Tbilisi 0179, Georgia
Tel: +995 (32) 291 30 96
Fax: +995 (32) 291 34 78

1818 H Street N.W.
Washington, DC 20433, USA
Tel: +1 (202) 473 7252
Fax: +1 (202) 522 3607

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.

Very truly yours,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT



Mercy Miyang Tembon
Regional Director
South Caucasus Regional Office
Europe and Central Asia Region

AGREED:

**SAVE THE CHILDREN INTERNATIONAL
BRANCH OF GEORGIA**

By 
Authorized Representative

Name: Ms. Tamar Golubiani

Title: Director

Date: 10 April, 2017



cc: Ms. Nino Pruidze, Project Coordinator, Save the Children International Branch of Georgia
Mr. Frank Heemskerk, Executive Director, The World Bank

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 Investment Project Financing, dated February 2017.
- (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 and as of July 1, 2016
- (4) World Bank Procurement Regulations for Borrowers under Investment Project Financing, dated July 1, 2016

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.

- (a) “Civitas” means a non-governmental organization established and operating under the laws of Georgia.
- (b) “Civitas Agreement” means the agreement to be entered into between the Recipient and Civitas pursuant to Section 2.03(c) of this Agreement, satisfactory to the World Bank.
- (c) “MoES” means the Recipient’s Ministry of Education and Science or legal successor thereto.
- (d) “NPA” means the Recipient’s National Preschool Association established and operating pursuant to the laws of Georgia.

Article II
Project Execution

2.01. **Project Objectives and Description.** The objective of the Project is to empower citizens through social accountability interventions, improve delivery of and resource allocation of pre-school education services in targeted municipalities of the Member Country. The Project consists of the following parts:

Part 1: Benchmarking and Monitoring System for Pre-school Services Assessment

Developing benchmarking tools and guidelines to assess, evaluate, implement and monitor municipal pre-school services provision through: (i) carrying out participatory stakeholder consultations; (ii) piloting the proposed benchmarking methodology in seven pre-selected municipalities, documenting the results, lessons learned and best practices; and (iii) organizing workshops with participating pilot municipalities to discuss the results, common issues and gaps to further refine and revise the benchmarking methodology.

Part 2: National Mechanism for Capacity Development of Pre-school Service Providers

- (a) Conducting capacity building sessions for local pre-school service providers through the NPA for all targeted municipalities on the benchmarking methodology to assess and improve

quality care and development, resource allocation and accessibility issues, social accountability and feedback mechanisms for community members.

- (b) Creating a web-based platform for exchange of experiences and good practices between municipalities and the NPA, conducting workshops to disseminate information aimed at strengthening partnerships between NPA, municipal governments and the MoES.

Part 3: Facilitating Knowledge and Learning; and Project Management

- (a) Developing mechanisms for capturing and facilitating knowledge exchange among stakeholders through (i) designing indicators for lessons learned during the Project implementation; (ii) developing tools and mechanisms for learning and sharing them among social accountability practitioners (including benchmarking results) through mass media, events/meetings, and dissemination of printed materials; and (iii) implementing peer learning exchanges between the Recipient, NPA, municipal governments, and the MoES.
- (b) Carrying out Project implementation and monitoring; Training and audit.

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 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 and as of July 1, 2016 (“Anti-Corruption Guidelines”); (c) this Article II; and (d) the Civitas Agreement.

2.03. ***Institutional and Other Arrangements.*** For purposes of Project implementation, the Recipient shall:

- (a) maintain at all times during Project implementation, professional staff in adequate numbers and with terms of reference, qualifications and functions acceptable to the World Bank, to perform all fiduciary responsibilities including procurement; overall financial management and disbursements related to implementation of Project activities;
- (b) coordinate with relevant stakeholders and organizations, municipal and central governments, targeted municipalities and civil service organizations, in carrying out the activities under the Project;
- (c) enter into an agreement with Civitas under terms and conditions acceptable to the World Bank (the Civitas Agreement), which shall include, *inter alia*: (i) Civitas’s undertaking to perform certain roles and responsibilities under the Project; and (ii) the conditions for the Recipient’s payment, out of the proceeds of the Grant, of certain Operating Costs related to Civitas for discharge of its roles and responsibilities;
- (d) exercise its rights and carry out its obligations under the Civitas Agreement in such manner as to protect the interest of the Recipient and the World Bank to accomplish the purposes of the Grant; and
- (e) not assign, amend, abrogate, terminate, waive or fail to enforce the Civitas Agreement or any of the provisions thereof, unless the World Bank shall otherwise agree.

2.04. ***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, take all measures required on its part to enable the representatives of the Donors to visit any part of the Recipient's territory for purposes related to the Project.

2.05. ***Project Monitoring, Reporting and Evaluation.*** The Recipient shall:

- (a) 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 indicators acceptable to the World Bank and contained in the Results Framework and Monitoring, which may be amended from time to time with the World Bank's written no objection. Each Project Report shall cover the period of one (1) calendar semester, and shall be furnished to the World Bank not later than one (1) month after the end of the period covered by such report; and
- (b) 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.*** The Recipient shall:

- (a) ensure that a financial management system is maintained in accordance with the provisions of Section 2.07 of the Standard Conditions;
- (b) 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; and
- (c) 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 entire period during which withdrawals from the Grant account were made. The audited Financial Statements for such period shall be furnished to the World Bank not later than six (6) months after the end of such period. The Recipient shall ensure that the audited financial statements are made publicly available in a timely fashion and in a manner acceptable to the World Bank.

2.07. ***Procurement.*** All goods 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 the "World Bank Procurement Regulations for Borrowers under Investment Project Financing" dated July 1, 2016 ("Procurement Regulations"), and the provisions of the Recipient's procurement plan for the Project ("Procurement Plan") dated December 20, 2016 provided for under Section IV of the Procurement Regulations, as the same may be updated from time to time in agreement with 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) 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 Investment Project Financing" dated February 2017, as revised from time to time by the World Bank and as made applicable to this Agreement pursuant to such instructions), to finance 100% of Eligible Expenditures consisting of goods (excluding art, furniture, carpets, vehicles and generators), consulting services (including audits), non-consulting services and training, and operating costs inclusive of Taxes.

Category	Amount of the Grant Allocated (expressed in USD)	Percentage of Expenditures to be Financed (inclusive of Taxes)
Goods, consultants' services, Training and Operating Costs under the Project	680,000	100%
TOTAL AMOUNT	680,000	100%

- (i) "Training" means expenditures incurred by the Recipient to conduct training, including tuition fees, travel 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 and consultants' services); and
- (ii) "Operating Costs" means the reasonable costs, as shall have been approved by the World Bank, for the incremental expenses incurred by the Recipient and Civitas on account of Project implementation, consisting of vehicle operation and maintenance, communication and insurance costs, banking charges, office and office equipment maintenance, utilities, document duplication/printing, consumables, travel cost and per diem for Project staff for travel linked to the implementation of the Project, and salaries of contractual staff for the Project (but excluding consulting services) and any other reasonable expenditures as may be agreed upon with the World Bank.

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 this Agreement.

3.03. **Withdrawal Period.** The Closing Date referred to in Section 3.06(c) of the Standard Conditions is January 16, 2020.

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 Director of Save the Children International Branch of Georgia.

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

Save the Children International
Branch of Georgia
Identification Number: 404409056
27/B Mitskevich St. 4th Flr, Tbilisi 0160 p
Georgia
Telephone: Email:
995 (32) 244 520 tamta.golubiani@savethechildren.org

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
1818 H Street, N.W.
Washington, D.C. 20433
United States of America
Telex: 248423 (MCI) or 64145 (MCI) Facsimile: 1-202-477-6391