

Public Disclosure Authorized

CONFORMED COPY

GRANT NUMBER H677-7C

Financing Agreement

(Central Asia Hydrometeorology Modernization Project)

between

**EXECUTIVE COMMITTEE OF THE INTERNATIONAL FUND FOR SAVING
THE ARAL SEA**

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated July 12, 2011

GRANT NUMBER H677-7C

FINANCING AGREEMENT

AGREEMENT dated July 12, 2011, entered into between EXECUTIVE COMMITTEE OF THE INTERNATIONAL FUND FOR SAVING THE ARAL SEA (“Recipient”) and 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 grant in an amount equivalent to five million six hundred thousand Special Drawing Rights (SDR 5,600,000) (“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. The Recipient’s Representative for purposes of taking any action required or permitted to be taken pursuant to this Section is the head of the PMU.
- 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 Payment Dates are January 15 and July 15 in each year.
- 2.05. The Payment Currency is Dollar.

ARTICLE III — PROJECT

- 3.01. The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall carry out Part 1 of 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 — REMEDIES OF THE ASSOCIATION

- 4.01. The Additional Events of Suspension consists of the following:
 - (a) The Recipient's Documents have, in the opinion of the Association, been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of the Recipient to perform any of its obligations under this Agreement.
 - (b) Any action has been taken for the dissolution, disestablishment as an international organization or suspension of the operation of the Recipient, or the RCH.
 - (c) A Member State has failed to make payment of principal, interest, service charges or any other amount due to the Association or the Bank under any agreement between such Member State and the Association or the Bank.

ARTICLE V — EFFECTIVENESS; TERMINATION

- 5.01. The Additional Conditions of Effectiveness consist of the following:
 - (a) the Project Operations Manual, satisfactory to the Association has been adopted by the Recipient;
 - (b) the PMU, shall have selected and engaged the services of a financial management specialist and a procurement specialist under terms of reference satisfactory to the Association; and

- (c) the Project accounting system satisfactory to the Association is in place, with adequate in-built controls and capable of tracking Project resources and expenditures and generating financial reports, including interim financial reports (IFRs).

5.02. The Additional Legal Matter consists of the following:

- (a) On behalf of the Republic of Kazakhstan, an opinion satisfactory to the Association of counsel satisfactory to the Association, or a certificate satisfactory to the Association of a competent official of the Republic of Kazakhstan showing, with respect to certain of the Recipient's Documents, that:
 - (i) The IFAS and IFAS Entities Regulations, the EC-IFAS Regulations and the RCH Regulations are in full force and effect in the Republic of Kazakhstan; and
 - (ii) The Recipient and the RCH, as well as their staff, enjoy the privileges and immunities awarded to organizations of IFAS under the IFAS Status Agreement.

5.03. The Effectiveness Deadline is the date one hundred and twenty (120) days after the date of this Agreement.

5.04. 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 five (5) years after the date of this Agreement.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

6.01. The Recipient's Representative is its Chairman.

6.02. The Recipient's Address is:

Executive Committee of the International Fund
For Saving the Aral Sea (EC-IFAS)
280 Dostyk Avenue
Almaty 050020
Kazakhstan

Facsimile:

+(727) 387 34 33

6.03. 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.

248423 (MCI)

1-202-477-6391

AGREED at Almaty, Republic of Kazakhstan, as of the day and year first above
written.

**EXECUTIVE COMMITTEE OF
THE INTERNATIONAL FUND FOR SAVING
THE ARAL SEA**

By /s/ Saghit Ibatullin

Authorized Representative

**INTERNATIONAL DEVELOPMENT
ASSOCIATION**

By /s/ Motoo Konishi

Authorized Representative

SCHEDULE 1

Project Description

The objective of the Project is to improve the accuracy and timeliness of the hydrometeorology services in Central Asia, with particular focus on Kyrgyz Republic and Republic of Tajikistan.

The Project consists of the following parts:

Part 1. Strengthening Regional Coordination and Information Sharing.

Provision of goods (including related installation services), consultants' services and training to:

- (a) improve the technical and organizational capacity of the EC-IFAS and the RCH to coordinate the work of the National Hydrometeorological Services and to promote information receiving, storage and exchange among the National Hydrometeorological Services;
- (b) improve the regional system of training, re-training, and professional development in the field of meteorology, hydrology and climate;
- (c) improve the provision of hydrometeorological services by the National Hydrometeorological Services through: (i) improved early warning systems for extreme events; and (ii) improved weather and river flow forecasting and climate change assessment systems with access to, and use of, global and regional numerical weather prediction products; and
- (d) support implementation of Part 1 of the Project and ensure full coordination of activities under Part 1 of the Project and of those in Parts 2 and Part 3 of the Project.

Part 2. Strengthening of Hydromet Services in Kyrgyz Republic.

Provision of goods (including related installation services), consultants' services and training to:

- (a) strengthen the institutional capacity of Kyrgyzhydromet, including improvement of its human resources and its financial sustainability model through: (i) technical support and training of Kyrgyzhydromet staff; (ii) development and testing of an appropriate business model for the delivery of commercial weather, climate and hydrological services in the Kyrgyz Republic; and (iii) revising the scientific methodological basis of the Kyrgyzhydromet operations to World Meteorological Organization standards;

- (b) improve the hydrometeorological observation networks to provide more timely extreme and hazardous weather warnings and a more efficient national water resources management system through: (i) equipment restoration and improvement for hydrological, agrometeorological and snow-avalanche observation; (ii) establishment, refurbishment and/or technical enhancement of national centers for meteorological data collection; and (iii) development of forecasting systems;
- (c) enhance the service delivery system of Kyrgyzhydromet through: (i) development of improved services provided by Kyrgyzhydromet including expanded user access to informational products; and (ii) specialized training to staff involved in service delivery; and
- (d) support implementation of Part 2 of the Project.

Part 3. Strengthening of Hydromet Services in Republic of Tajikistan.

Provision of goods (including related installation services), consultants' services and training to:

- (a) strengthen the institutional capacity of Tajikhydromet, including improvement of its human resources and its financial sustainability model through: (i) technical support and training of Tajikhydromet staff; (ii) development and testing of an appropriate business model for the delivery of commercial weather, climate and hydrological services in the Republic of Tajikistan; and (iii) revising the scientific methodological basis of the Tajikhydromet operations to World Meteorological Organization standards;
- (b) improve the hydrometeorological observation networks to provide: (i) more timely extreme and hazardous weather warnings; and (ii) a more efficient national water resources management system through: (A) equipment restoration and improvement for hydrological, agrometeorological and snow-avalanche observation; (B) establishment, refurbishment and/or technical enhancement of national centers for meteorological data collection; and (C) development of forecasting systems;
- (c) enhance the service delivery system of Tajikhydromet through: (i) development of improved services provided by Tajikhydromet including expanded user access to informational products; and (ii) specialized training to staff involved in service delivery; and
- (d) support implementation of Part 3 of the Project.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements.

1. The Recipient shall carry out Part 1 of the Project in accordance with the requirements, criteria, organizational arrangements and operational procedures set forth in the Project Operations Manual, and shall not assign, amend, abrogate or waive any provisions of the Project Operations Manual without prior approval of the Association.
2. The Chairman of the Recipient and the Coordination Council of the Recipient's RCH shall have overall responsibility for oversight, inter-agency coordination and policy guidance for the regional activities of the Project, in accordance with the requirements, criteria, organizational arrangements and operational procedures set forth in the Project Operations Manual.
3. The PMU, established within the Recipient shall be responsible for the day-to-day management and implementation of Part 1 of the Project, including the coordination with each Project Management Committee, at the broader Project level activities, in accordance with the Project Operations Manual.
4. The Chief Accountant of the Recipient shall have overall responsibility for financial management and disbursement functions, with support of a financial management consultant.
5. A systems integrator will be engaged to facilitate design, implementation and supervision activities of the Project.
6. The Recipient shall maintain the RCH and the PMU throughout the life of the Project in a form and with functions, staffing, resources, terms of reference and qualifications satisfactory to the Association. In addition, the PMU shall be located and maintained in the city of Almaty, Republic of Kazakhstan, for the life of 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

1. (a) The Recipient 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 semester, and shall be furnished to the Association not later than forty five days after the end of the period covered by such report.

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. The Recipient shall prepare and furnish to the Association not later than forty five 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 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 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 the Procurement Guidelines, or 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 table specifies the methods of procurement, other than International Competitive Bidding, which may be used for goods and non-consulting services. The Procurement Plan shall specify the circumstances under which such methods may be used:

<u>Procurement Method</u>
(a) National Competitive Bidding, subject to the additional provisions set forth in the Attachment to this Schedule 2
(b) Shopping
(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 table specifies methods of procurement, other than Quality- and Cost-based Selection, which may be used for consultants' services. The Procurement Plan shall specify the circumstances under which such methods may be used.

<u>Procurement Method</u>
(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) Procedures set forth in paragraphs 5.2, 5.3 and 5.4 of the Consultant Guidelines for the Selection of Individual Consultants

D. Review by the Association of Procurement Decisions

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.

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 Financing Allocated (expressed in SDR)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, non-consulting services (including related installation services), consultants’ services, Incremental Operating Costs, and Training for Part 1 of the Project	5,600,000	100%
TOTAL AMOUNT	5,600,000	

For the purpose of this table:

- (a) “Incremental Operating Costs” means the reasonable expenditures incurred for the implementation of the Project by the PMU on account of office rental, utility charges, transportation, office supplies, maintenance and minor refurbishing of office and equipment, photocopying, translation, printing, advertisements, banking charges, communication services, support for information systems, travel costs, including accommodation and *per diem*, and support staff excluding salaries of officials of the Recipient’s staff; and
- (b) “Training” means Project related study tours, training courses, seminars, workshops and other training activities, not included under goods or service

providers' contracts, including costs of training materials, space and equipment rental, local travel, *per diem* costs of trainees and trainers' fees, and interpretation and translation services.

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 August 31, 2016.

**Attachment
to
SCHEDULE 2**

The procedures to be followed for National Competitive Bidding shall be those set forth in The Law of the Republic of Kazakhstan on Public Procurement as of 4 April, 2010 No. 62-IV (the “PPL”), subject to the following provisions:

1. Procuring entities shall use the appropriate standard bidding documents acceptable to the Bank, which shall be prepared so as to ensure economy, efficiency, transparency and broad consistency with the provisions of Section I of the *Guidelines Procurement under IBRD Loans and IDA Credits* (the “Procurement Guidelines”).
2. The eligibility of bidders 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 Bank for reasons other than those provided in Section I of the Procurement Guidelines.
3. No restrictions in respect of eligibility to participate in bidding for contracts shall be placed on the basis of nationality of the bidder and/or the origin of goods other than those imposed by primary boycotts.
4. Foreign bidders shall be allowed to participate in National Competitive Bidding procedures without restrictions of any kind.
5. No preference of any kind shall be applied for domestic bidders and/or for domestically manufactured goods.
6. Bidding shall not be restricted to pre-registered firms, and foreign bidders shall not be required to be registered with local authorities as a prerequisite for submitting bids.
7. Foreign firms shall not be required to associate with a local partner in order to bid as a joint venture, and joint venture partners shall be jointly and severally liable for their obligations.
8. Government-owned enterprises in Kazakhstan shall be eligible to participate in bidding only if they can establish that they are legally and financially autonomous, operate under commercial law, and are not dependent agencies of the Republic of Kazakhstan. Such enterprises shall be subject to the same bid and performance security requirements as other bidders.

9. Subject to these provisions, procurement shall be carried out in accordance with the "Bidding Method" procedures set forth in the PPL.
10. The cost estimate for a procurement shall be confidential and shall not be disclosed to prospective bidders.
11. Prequalification procedures acceptable to the Bank shall be used for large, complex and/or specialized projects.
12. Bidders shall be given at least thirty (30) days from the date of the invitation to bid or the date of availability of bidding documents, whichever is later, to prepare and submit bids.
13. Bids shall be submitted in a single-envelope.
14. An extension of bid validity, if justified by exceptional circumstances, may be requested in writing from all bidders before the expiration date and for a minimum period required to complete the evaluation or award a contract, but not to exceed thirty (30) days. No further extensions shall be requested without the prior concurrence of the Association.
15. Bids shall be opened in public, immediately after the deadline for their submission in accordance with procedures stated in the bidding documents. No bids should be rejected at bid opening unless they are late.
16. Evaluation of bids shall be made in strict adherence to the quantifiable criteria declared in the bidding documents. Qualification criteria for bid evaluation shall be applied on a pass or fail basis. Evaluation criteria other than price shall be quantified in monetary terms.
17. Bids that are not substantially responsive to the technical specifications, contract conditions, or other critical requirements in the bidding documents shall be rejected.
18. Bid evaluations shall be confidential, and bidding committee meetings shall not be open to bidders and/or their representatives.
19. Post-qualification criteria shall only pertain to past contract performance, financial and technical capabilities of bidders.
20. Contracts shall be awarded to the lowest-evaluated, substantially-responsive bidder who is determined to be qualified to perform the contract in accordance with pre-defined and pre-disclosed evaluation criteria, and no negotiation as to the price or substance of the bid shall take place.

21. If the procuring entity fails to conclude a contract with the lowest evaluated bidder, a contract may be awarded to the bidder who is next ranked and whose bid is substantially responsive.
22. 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 Bank's prior concurrence.
23. Bidders shall be given at least twenty-eight (28) days from the receipt of notification of contract award to submit performance securities.
24. Each bidding document and contract financed out of the proceeds of the Loan shall include provisions on matters pertaining to fraud and corruption as defined in paragraph 1.14(a) of the Procurement Guidelines. The Association will sanction a firm or an individual, at any time, in accordance with prevailing Association sanctions procedures, including by publicly declaring such firm or individual ineligible, either indefinitely or for a stated period of time: (i) to be awarded an Association-financed contract; and (ii) to be a nominated sub-contractor, consultant, manufacturer or supplier, or service provider of an otherwise eligible firm being awarded a Bank-financed contract.
25. In accordance with paragraph 1.14(e) of the Procurement Guidelines, each bidding document and contract financed out of the proceeds of the Financing shall provide that: (i) the bidders, suppliers, contractors and subcontractors shall permit the Association, at its request, to inspect their accounts and records relating to the bid submission and performance of the contract, and to have said accounts and records audited by auditors appointed by the Association; and (ii) the deliberate and material violation by the bidder, supplier, contractor or subcontractor of such provision may amount to an obstructive practice as defined in paragraph 1.14(a)(v) of the Procurement Guidelines.
26. The Association may recognize, if requested by the Recipient, exclusion from participation as a result of debarment (black-listing) under the national system, provided that the debarment is for offenses involving fraud, corruption or similar misconduct, and further provided that the Bank confirms that the particular debarment procedure afforded due process and the debarment decision is final.
27. Complaints related to the procurement process shall be handled in accordance with the provisions of the Procurement Guidelines.

APPENDIX

Section I. 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. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
3. “Consultant Guidelines” means the “Guidelines: Selection and Employment of Consultants by World Bank Borrowers” dated May 2004 and revised in October 2006, and May 2010.
4. “General Conditions” means the “International Development Association General Conditions for Credits and Grants”, dated July 31, 2010, with the modifications set forth in Section II of this Appendix.
5. “Kyrgyzhydromet” means the Agency on Hydrometeorology (Kyrgyzhydromet) established under the Ministry of Emergency Situations of the Recipient and functioning pursuant to Regulation No. 130 approved by the Government of the Recipient on March 5, 2010, in charge of implementing Part 2 of the Project.
6. “Member State” means, for purposes of Section 4.01(c), Republic of Kazakhstan, Kyrgyz Republic, Republic of Tajikistan, and Republic of Uzbekistan.
7. “National Hydrometeorological Services” means, collectively, one or more of the entities in charge of developing and providing national hydrometeorological services for and in each of the Kyrgyz Republic (through Kyrgyzhydromet), the Republic of Kazakhstan, the Republic of Tajikistan (through Tajikhydromet), and the Republic of Uzbekistan.
8. “Procurement Guidelines” means the “Guidelines: Procurement under IBRD Loans and IDA Credits” dated May 2004 and revised in October 2006, and May 2010.
9. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated March 29, 2011 and referred to in paragraph 1.16 of the Procurement Guidelines and paragraph 1.24 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.
10. “PMU” means the Project management unit to be established within the Recipient, responsible for the implementation of Part 1 of the Project, including

the coordination with the Project Management Committee in each of Kyrgyz Republic and Republic of Tajikistan.

11. “Project Management Committee” means, indistinctively, the individual committee in each of Kyrgyz Republic and Republic of Tajikistan in charge of overall management and coordination of Part 2 and 3 of the Project, respectively, and coordination with the PMU.
12. “Project Operations Manual” means the manual, to be adopted by the Recipient pursuant to Section 5.01(a) of this Agreement, setting forth the operational and administrative responsibilities, procedures and rules for the implementation of Part 1 of the Project, including a manual of financial management procedures that sets out procedures for Project accounting, reporting and audit, disbursements, flow of funds and management of the designated account, as the same may be amended from time to time with the agreement of the Association.
13. “Recipient’s Documents” means: (i) the decision of Heads of the Central Asia States on the Re-Organization of the Structure of the International Fund for Saving the Aral Sea dated February 28, 1997 (the “Re-Organization of IFAS”); (ii) the Agreement dated April 9, 1999 between the Government of Republic of Kazakhstan, the Government of Kyrgyz Republic, the Government of Republic of Tajikistan, the Government of Turkmenistan, and the Government of Republic of Uzbekistan About the Status of the International Fund for Saving the Aral Sea (IFAS) and its Organizations (the “IFAS Status Agreement”); (iii) the Regulations of IFAS and its Entities, as approved by Decision of the Heads of Central Asia States dated April 9, 1999 (the “IFAS and IFAS Entities Regulations”); (iv) the Decision of the Board of IFAS dated August 23, 2002, executed by the Republic of Kazakhstan, Kyrgyz Republic, Republic of Tajikistan, Turkmenistan, and Republic of Uzbekistan, on the Establishment of the Regional Center of Hydrology (RCH) (the “RCH Establishment Decision”); (v) the Regulations of the Regional Center of Hydrology, as adopted by Decision of the Board of IFAS dated March 27, 2004 (#5 on the adoption of the Regulations on the IFAS Regional Center of Hydrology) executed by the Republic of Kazakhstan, Kyrgyz Republic, Republic of Tajikistan, Turkmenistan, and Republic of Uzbekistan (the “RCH Regulations”); (vi) the Regulations of the Executive Committee of the International Fund for Saving the Aral Sea (EC-IFAS), as approved by the President of IFAS – President of the Republic of Kazakhstan, dated March 21, 2009 (the “EC-IFAS Regulations”); and (vii) the Decision of the Board of IFAS dated December 15, 2010 executed by the Republic of Kazakhstan, Kyrgyz Republic, Republic of Tajikistan, Turkmenistan, and Republic of Uzbekistan on the Improvement of the Hydrometeorological services in the IFAS Founder States (the “CAHMP Support Decision”).
14. “RCH” means the Regional Center of Hydrology, established and functioning pursuant to the RCH Establishment Decision, and the RCH Regulations.

15. “Tajikhydromet” means the State Institution for Hydrometeorology of the Committee on Environmental Protection under the Government of the Republic of Tajikistan, established by Resolution 458 dated October 1, 2008 of the Government of Republic of Tajikistan in charge of implementing Part 3 of the Project.

Section II. Modifications to the General Conditions

The modifications to the “International Development Association General Conditions for Credits and Grants”, dated July 31, 2010, are as follows (all references to Sections and the Appendix are to Sections of and the Appendix to said General Conditions):

- A. In Section 2.06 (*Financing Taxes*), the text “Taxes levied by, or in the territory of, the Recipient” is modified to read “Taxes levied by, or in the territory of, the Member Country”.
- B. In Section 3.10 (*Manner of Payment*), the text “Taxes levied by, or in the territory of, the Recipient” is modified to read “Taxes levied by, or in the territory of, the Member Country”.
- C. Paragraph (a) of Section 4.11 (*Visits*) is modified to read as follows:
“(a) The Recipient shall take all measures required on its part to enable the representatives of the Association to visit any part of the Member Country’s territory for purposes related to the Financing of the Project.”
- D. In sub-paragraph (ii)(B) of Section 6.02 (i) (*Assignment of Obligations; Disposition of Assets*), the expression “Project Implementing Entity” is modified to read “Recipient”.
- E. Section 6.02 (j) (*Membership*) is modified to read as follows:
“(j) *Membership*. A Member Country: (i) has been suspended from membership in or ceased to be a member of the Association; or (ii) has ceased to be a member of the International Monetary Fund.”
- F. In Sections 6.02 (k) (*Condition of Project Implementing Entity*) and 6.02(l) (*Ineligibility*), all references to “Project Implementing Entity” are modified to read “Recipient”.
- G. A new paragraph (m) is added to Section 6.02 (*Suspension by the Association*) (and the existing paragraph (m) is renumbered as (n)) to read as follows:

“(m) *Interference*. A Member Country has: (i) taken or permitted to be taken any action which would prevent or interfere with the execution of the Project or the performance by the Recipient of its obligations under the Financing Agreement; or (ii) failed to afford a reasonable opportunity for representatives of the Association to visit any part of its territory for purposes related to Financing or the Project.”

- H. A new definition is added as paragraph 35 of the Appendix to read as follows, and the existing paragraph 35 and subsequent paragraphs (and all references to such paragraph numbers) are renumbered accordingly:

35. “Member Country” means the member of the Association in whose territory the Project is carried out or any of such member’s political or administrative subdivisions. If such activity is carried out in the territory of more than one such member, “Member Country” refers separately to each such member.”

- I. The definition of “Recipient” (as renumbered pursuant to the addition of the definition of Member Country) is modified to read as follows:

“46. “Recipient” means the entity which is a party to the Financing Agreement and to which the Financing is extended.”