Mr. Nigel L. Romano  
Vice President - Operations  
Caribbean Development Bank  
P.O. Box 408  
Wildey, St. Michael BB11000  
Barbados, W. I.

Dear Sir:

Re: CARIBBEAN: IDF Grant for Improved Public Investment Management through Sustainable Public Procurement Capacity Building in the Caribbean Project - IDF Grant No. TF07799

In response to the request for financial assistance made on behalf of the Caribbean Development Bank ("Recipient"), I am pleased to inform you that the International Bank for Reconstruction and Development ("World Bank") proposes to extend to the Recipient, for the benefit of beneficiary countries as defined in the Annex to this Agreement ("Beneficiary Countries or Beneficiary Country"), a grant from the World Bank’s Institutional Development Fund ("IDF") in an amount not to exceed Three Hundred Twenty Thousand United States Dollars (U.S.$320,000) ("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").

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effective as of the date of the countersignature; provided, however, that the offer of this Agreement shall be deemed withdrawn if the World Bank has not received the countersigned copy of this Agreement within ninety (90) days after the date of signature of this Agreement by the World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 BANK FOR RECONSTRUCTION AND DEVELOPMENT

Sophie Sirtaine
Director
Caribbean Country Management Unit
Latin America and the Caribbean Region

AGreed:
CARIBBEAN DEVELOPMENT BANK

Nigel L. Romano
Vice President - Operations

Date:  
Feb 9 2015.

Enclosures:

(2) Disbursement Letter of the same date as this Agreement, together with World Bank Disbursement Guidelines for Projects, dated May 1, 2006
Article I
Standard Conditions; Definitions


1.2. **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:

1. "Beneficiary Countries or Beneficiary Country" means the countries intended to benefit from the Grant, namely: Anguilla, Antigua and Barbuda, Aruba, Bahamas, Barbados, Belize, British Virgin Islands, Cayman Islands, Dominica, Dominican Republic, Grenada, Guyana, Haiti, Jamaica, Montserrat, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Suriname, Trinidad and Tobago; and Turks and Caicos Islands.

2. "Procurement Policy Unit" means the unit created under the Vice President, Operations of the Recipient.

3. "Head of Procurement" means the staff of the Caribbean Development Bank with qualifications and responsibility for conducting and reviewing procurement under operations funded by the Recipient and grants implemented by the Recipient.

Article II
Project Execution

2.1. **Project Objectives and Description.** The objective of the Project is to establish a sustainable professional procurement training and accreditation institution in the Caribbean region to provide professional and technical training programs in procurement, leading to the award of internationally-recognized professional qualifications in procurement; in order to produce a cadre of qualified, well-trained procurement specialists for public service throughout the Caribbean with a focus on providing Caribbean governments with a regional resources center that will allow them to build their procurement capacity and maintain it over the long term. The Project consists of the following parts:

(a) **Regionally-based Institution for Procurement Development**

Provision of technical assistance support to: (i) carry out a competitive selection process to identify a regional institution within the Caribbean to be developed into a regional center of excellence for the provision of procurement training and award of professional qualifications/accreditation in procurement that will be internationally recognized and accepted; (ii) identify an internationally-recognized procurement trainer to partner in developing the regional institution and enter into a Memorandum of Understanding (MOU) to work together throughout the grant period; (iii) develop a medium-term business plan for the regional procurement training institution to set out the basis for which the institution will achieve commercial sustainability within the term of the business plan. The plan will provide details of the range of training, accreditation and professionalization services to be offered by the institution and its delivery modalities,
pricing, sources of funding for students fees, target client groups, including setting the minimum qualification requirements for entry in the various programs; and (iv) develop a comprehensive, graduated curriculum in procurement, including instructional content and materials, teaching resources and evaluation modalities.

(b) Project Audit

Carry out an audit of the grant-financed activities in accordance with the World Bank audit requirements.

2.2. 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 its Procurement Policy Unit 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.

2.3. Institutional and Other Arrangements. The Recipient shall cause its Procurement Policy Unit to implement the Grant under the leadership of the Head of Procurement. The Recipient shall pass the proceeds of the Grant to the two consultants that will be selected to execute the Project. The Recipient shall not charge any fee in the implementation of the Grant activities. The Recipient shall, after the two consultants have been selected and contracts awarded, continue to remain responsible and fully engaged in overseeing the administration of both contracts, the performance of both entities and the design of the training and accreditation services that will be developed and delivered by both entities.

2.4. Project Monitoring, Reporting and Evaluation.

(a) The Recipient shall monitor and evaluate the progress of the Project and, upon the World Bank's request, 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. Each Project Report shall cover such period as shall be indicated in the World Bank’s request and shall be furnished to the World Bank not later than one month after the date of such request.

(b) The Recipient shall, upon the World Bank’s request, 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 five months after the Closing Date.

2.5. 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 semi-annual period, covering the semi-annual period, in form and substance satisfactory to the World Bank.

(c) The Recipient shall have the 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
four months after the end of such period.

2.6. Procurement.

(a) General. All 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 Sections I and IV of the “Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011, revised July 2014 (“Consultant Guidelines”) in the case of consultants’ services.

(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 Sections II, III, IV and V of the Consultant Guidelines, as the case may be.

(c) Particular Methods of Procurement of Consultants’ Services. Consultants’ services shall be procured under contracts awarded on the basis of Quality-based Selection and Least-Cost Selection.

(d) Review by the World Bank of Procurement Decisions. All other contracts shall be subject to World Bank’s Prior Review.

Article III
Withdrawal of Grant Proceeds

3.1. 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 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:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Grant Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Consultants’ Services and Training</td>
<td>310,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Audit</td>
<td>10,000</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>320,000</td>
<td></td>
</tr>
</tbody>
</table>

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For the purposes of this Section, the term "Training" means the provision of technical training and education in procurement, logistics, supply chain management, and the award of accreditation and qualifications to trainees who undergo such training.

3.2. **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.

3.3. **Withdrawal Period.** The Closing Date referred to in Section 3.06(c) of the Standard Conditions is three years after the date of countersignature of this Agreement by the Recipient.

**Article IV**

**Recipient's Representative; Addresses**

4.1. **Recipient's Representative.** The Recipient’s Representative referred to in Section 7.02 of the Standard Conditions is its Vice President - Operations.

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

   P. O. Box 408
   Wildey, St. Michael BB11000
   Barbados, W.I.

   Facsimile:
   (246) 426-7269

4.3. **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

   Cable: INTBAFRAD
   Telex: 248423 (MCI) or 64145 (MCI)