H.E. Isidoro Santana  
Minister of Economy, Planning and Development  
Ministry of Economy, Planning and Development  
Avenida México, esquina avenida Dr. Delgado  
Edificio de Oficinas Gubernamentales, Bloque B  
Distrito Nacional Santo Domingo, Dominican Republic  

Re:  
EGPS Grant No. TF0A5180  
Implementing EITI Project  
Letter Agreement  

Excellency:  

In response to the request for financial assistance made on behalf of the Dominican Republic ("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 the Commonwealth of Australia, Canada, the Republic of Finland, the Federal Republic of Germany, the Kingdom of Norway, Switzerland and the United Kingdom of Great Britain and Northern Ireland ("Donors") under the Extractives Global Programmatic Support (EGPS) Multi-Donor Trust Fund (TF072347), proposes to extend to the Recipient a grant in an amount not to exceed two hundred thousand United States Dollars (USD 200,000) ("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.

1818 H Street NW · Washington, DC 20433 USA
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

By

Alessandro Legrottaglie
Country Manager
Dominican Republic Country Office
Latin America and the Caribbean Region

AGREED:
DOMINICAN REPUBLIC

By

Authorized Representative

Name: Isidoro Santana
Title: Minister de Economia
Date: 6/16/2017

Enclosures:

(2) Disbursement Letter of the same date as this Agreement, together with the “Disbursement Guidelines for Investment Project Financing”, dated February 2017
Article I
Standard Conditions; Definitions


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) "DR EITI National Commission" means the Recipient's commission for Implementing EITI created by Decree No.248-16 of September 15, 2016.

(b) "EITI" means Extractive Industries Transparency Initiative, the global standard for the good governance of oil, gas and mineral resources.

(c) "EITI Association" means the not-for-profit members association created under Norwegian law with the objective to make the EITI principles and the EITI requirements the internationally accepted standard for transparency in the oil, gas and mining sectors.

(d) "EITI National Report" means the report required by EITI Association Board for complying with the EITI Standard.

(e) "EITI Standard" means the requirements applicable to countries implementing the EITI and the Articles of Association governing the EITI Association, issued by the EITI International Secretariat on February 23, 2016.

(f) "EITI-Validated Country Status" means that the country has reached a satisfactory progress regarding all requisites in accordance with the EITI Standard.

(g) "MEM" means the Recipient's Ministry of Energy and Mines.

Article II
Project Execution

2.01. Project Objectives and Description. The objective of the Project is to foster transparency and accountability in extractive industries and improve the quality of engagement between key stakeholders around extractive industries in the Recipient's territory. The Project consists of the following parts:

Part 1: EITI Implementation Support

Preparation of the Recipient's first EITI National Report for the years 2014 and 2015, through: (a) carrying out of quality control of the information on extractives sector companies provided by the DR EITI National Commission to ensure consistency with the EITI Standard; (b) reconciling of payments made by mining and oil companies to the Recipient based on Recipient's receipts; and (c) carrying out of workshops for the Recipient's EITI multi-
stakeholder group to discuss the EITI National Report to ensure participation of government, private sector and civil society in its preparation.

**Part 2: Communication and Outreach**

Provision of support for the dissemination of mining sector issues and the EITI in the Recipient’s territory, through: (a) design and implementation of activities to disseminate: (i) the merits of extractives revenues transparency, and (ii) the EITI compliance process in the Recipient’s territory, including postings in government Internet websites, newspaper articles and television and radio spots; (b) dissemination of the EITI National Report and related materials in Spanish; (c) enhancement of the Recipient’s EITI Internet webpage; and (d) engagement of local communities and civil society organizations on the EITI implementation process improving extractives revenues transparency.

**Part 3: Project Management**

Provision of support to the MEM for Project implementation, monitoring and evaluation, procurement, financial management and administration.

**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 the MEM 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”); and (c) this Article II.

**2.03. Institutional and Other Arrangements.** (a) The Recipient shall vest the overall responsibility for the implementation of the Project to MEM, including the responsibility for its monitoring and evaluation, procurement, financial management, administration and technical aspects. To this end, the Recipient shall 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 functions related to the Project, including Project implementation, coordination, procurement, financial management, and monitoring and evaluation.

(b) The Recipient shall prepare and maintain throughout Project implementation a Project Operational Manual, satisfactory to the World Bank, which shall set forth rules, methods, guidelines, standard documents and procedures for the carrying out of the Project.

**2.04. Donor Visit.** 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.

**2.05. 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 indicators acceptable to the World Bank. Each Project Report shall cover the period of one calendar semester, and shall be furnished to the World Bank not later than 45 days after the end of the period covered by such report.

(b) 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.
2.06. **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 45 days after the end of each calendar semester, covering the semester, 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 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.

2.07. **Procurement.** All consulting 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 February 24, 2017 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.** (a) The Recipient may withdraw the proceeds of the Grant in accordance with the provisions of: (i) the Standard Conditions; (ii) this Section; and (iii) such additional instructions as the World Bank may specify by notice to the Recipient (including the “Disbursement Guidelines for Investment Project Financing” dated February 24, 2017, 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) Consulting services, Operating Costs and Workshops under the Project</td>
<td>200,000</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>200,000</td>
<td></td>
</tr>
</tbody>
</table>

(b) For the purposes of this paragraph, the term:

(i) “Workshops” means the reasonable costs, as shall have been approved by the World Bank, for workshops conducted under the Project, including tuition, travel and
subsistence costs for workshop participants, costs associated with securing the services of workshop speakers, rental of workshop facilities, preparation and reproduction of workshop materials, and other costs directly related to 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 on account of Project implementation, consisting of communication costs, banking charges, rental expenses, document duplication/printing, within-country 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 consultants’ services and salaries of officials of the Recipient’s civil service).

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, except that withdrawals up to an aggregate amount not to exceed USD 40,000 may be made for payments made prior to this date but on or after March 24, 2017, for Eligible Expenditures.

3.03. Withdrawal Period. The Closing Date referred to in Section 3.06 (c) of the Standard Conditions is June 24, 2019.

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 its Minister of Economy, Planning and Development.

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

Ministry of Economy, Planning and Development
Avenida México, esquina avenida Dr. Delgado
Edificio de Oficinas Gubernamentales, Bloque B
Distrito Nacional
Santo Domingo, República Dominicana

Telephone: (809) 688-7000
Facsimile: (829) 688-9000

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