January 8, 2013

Mr. Brian Blood
Chief Executive
Confederation of Asian and Pacific Accountants (CAPA)
Kuala Lumpur
Malaysia

Re: East Asia and Pacific Region: IDF Grant for the Program to Strengthen Accounting Capacity in Mongolia, Philippines and Vietnam Project
IDF Grant No. ‘F012133

Dear Sir:

In response to the request for financial assistance made on behalf of the Confederation of Asian and Pacific Accountants ("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 Mongolia, the Republic of Philippines and the Socialist Republic of Vietnam ("Member Countries"), a grant from the World Bank’s Institutional Development Fund ("IDF") in an amount not to exceed four hundred thousand United States Dollars (U.S.$400,000) ("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effective as of the date of the countersignature; provided, however, that the offer of this Agreement shall be deemed withdrawn if the World Bank has not received the countersigned copy of this Agreement within ninety (90) days after the date of signature of this Agreement by the World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

Bert Hofman
Chief Economist and Director
East Asia Pacific Region
AGREED:
CONFEDERATION OF ASIAN & PACIFIC ACCOUNTANTS

By
Authorized Representative

Name  BRIAN R. BLOOM
Title  CHIEF EXECUTIVE
Date:  11. 1. 2017

Enclosures:

(2) Disbursement Letter of the same date as this Agreement, together with World Bank Disbursement Guidelines for Projects, dated May 1, 2006
ANNEX

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"), with the modifications set forth in Section I of the Appendix to this Agreement, 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. Likewise, the terms:

"Professional Accountancy Organizations" and the acronym "PAOs" mean organizations that are full members or associate members of the International Federation of Accountants (IFAC) or the Confederation or Asian and Pacific Accountants (CAPA).

Article II
Project Execution

2.01. Project Objectives and Description. The objective of the Project is to develop the capacity of the accounting profession in selected Member Countries, through a program aimed at improving the continuing professional development (CPD) systems of national Professional Accountancy Organizations. The Project consists of the following parts:

Part A: Strengthening CPD Systems in Participating PAOs

(i) Carrying out a detailed assessment of existing CPD systems in the Member Countries in order to determine the training and capacity development needs for accounting professionals, consistent with international good practice and standards; and

(ii) Develop a toolkit for the strengthening of the CPD systems of participating PAOs in the Member Countries.

Part B: Dissemination of Toolkit for Strengthening CPD Systems in Participating Countries

(i) Coordinating and carrying out dissemination events and targeted training sessions in the Member Countries for stakeholders and/or interested parties, including academia, FACs, CPD providers, relevant regulators and government officials, donors and international organizations, in order to introduce the toolkit prepared under; and

(ii) Piloting toolkit implementation for the strengthening of CPD systems; and
(iii) Designing and implementing additional capacity building activities identified in the needs assessment carried out under Part A(i) of the Project.

Part C: Audits

Carrying out the independent audits required pursuant to Section 2.04(c) herein below.

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 (“Anti-Corruption Guidelines”); and (c) this Article II.

2.03. 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 (1) 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.

2.04. 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 not later than forty five (45) days after the end of each calendar quarter, covering the quarter, 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 (c) of the Standard Conditions. Each such 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 World Bank not later than six (6) months after the end of each such fiscal year.

2.04. 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:

(i) 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 (“Consultant Guidelines”); and
(ii) the provisions of this Section, as the same shall be elaborated in the procurement plan prepared and updated from time to time by the Recipient for the Project in accordance with paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines ("Procurement Plan").

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

(c) Particular Methods of Procurement of Consultants' Services

(i) Except as otherwise provided in item (ii) below, consultants' services shall be procured under contracts awarded on the basis of Quality- and Cost-based Selection.

(ii) The following methods may be used for the procurement of consultants' services for those assignments which are specified in the Procurement Plan: (A) Quality-based Selection, (B) Selection based on Consultants' Qualifications; (C) Selection of Individual Consultants; and (D) Single-source procedures for the Selection of Individual Consultants and Firms.

(e) Review by the World Bank of Procurement Decisions. The Procurement Plan shall set forth those contracts which shall be subject to the World Bank's Prior Review. All other contracts shall be subject to Post Review by 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 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</td>
<td>385,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Audits</td>
<td>15,000</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>400,000</td>
<td></td>
</tr>
</tbody>
</table>
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 countersignature of this Agreement by the Recipient.

3.03. **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**

4.01. **Recipient’s Representative.** The Recipient’s Representative referred to in Section 7.02 of the Standard Conditions is Chief Executive of the Confederation of Asian and Pacific Accountants.

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

Confederation of Asian and Pacific Accountants
Level 3 Dewan Akuntan
2 Jalan Tun Sambanthan 3
50470 Kuala Lumpur
MALAYSIA
Tel: + (603) 2273 6817
Fax: + (603) 2276 2023

Website: [www.capa.com.my](http://www.capa.com.my)

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

Cable: INTBAFRAD
Teléc.: 248-23 (MCI) or 641-15 (MCI)
Facsimile: 1-202-477-6391
APPENDIX

Modifications to the Standard Conditions

The term "Member Country" in the Standard Conditions means, individually, each of Mongolia, the Republic of Philippines or the Socialist Republic of Vietnam or any of their political or administrative subdivisions. The reference to "Member Countries" in this Letter Agreement shall be interpreted as referring to all said countries collectively.