March 16, 2011

Honorable Augustine Ngafuan  
Minister of Finance  
Ministry of Finance  
Monrovia  
Republic of Liberia

Re: Republic of Liberia: Grant No.TF099015  
Grant for the Economic Empowerment of Adolescent Girls

Honorable:

In response to the request for financial assistance made on behalf of the Republic of Liberia (the “Recipient”), I am pleased to inform you that the International Development Association (“World Bank”), acting as administrator of grant funds provided under the Multi Donor Trust Fund for the Adolescent Girls Initiative (TF071241) (MDTF), proposes to extend to the Recipient a grant in an amount not to exceed one million seven hundred sixty-one thousand six hundred forty-two United States Dollars (U.S.$1,761,642) (“Grant”) on the terms and conditions set forth or referred to in this letter agreement (the “Agreement”), which includes the attached Annex, to assist in the financing of the project described in the Annex (the “Project”). This Grant is funded out of the abovementioned trust fund for which the World Bank receives periodic contributions. In accordance with Section 3.02 of the Standard Conditions (as defined in the Annex to this Agreement), the Recipient may withdraw the Grant proceeds 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.

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effective as of the date of the countersignature; provided, however, that the offer of this Agreement shall be deemed withdrawn if the World Bank has not received the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 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 DEVELOPMENT ASSOCIATION

/s/ Sergiy V. Kulyk (for)
By____________________
Ishac Diwan
Country Director for Liberia
Africa Region

AGREED:
REPUBLIC OF LIBERIA

By________________________
Authorized Representative

Name /s/ Augustine K. Ngafuan

Title ___Minister of Finance________

Date: ___March 28, 2011________

Enclosures:

(2) Disbursement Letter of even date herewith, together with “World Bank Disbursement Guidelines for Projects”, dated May 1, 2006
(5) Guidelines on “Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006 as revised in January 2011
Article I

Standard Conditions; Definitions

1.01. **Standard Conditions.** The Standard Conditions for Grants Made by the World Bank out of Various Funds dated July 31, 2010 ("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, and the term “POM” means the Project Operational Manual referred to in Section 2.03 of this Annex.

Article II

Project Execution

2.01. **Project Objectives and Description.** The objective of the Project is to promote the economic empowerment of adolescent girls in the Recipient’s territory. The Project consists of the following parts:

Part A. **Skills Training for Wage Employment**

Provision of technical advisory services and training to adolescent girls and young women in order to enhance acquisition of necessary job skills, including technical knowledge and non-cognitive skills required for public service or private sector employment.

Part B. **Skills Training for Entrepreneurship**

Provision of business development training to young women entrepreneurs, which shall focus on: (i) identification of profitable small enterprises suitable for young women; (ii) managerial skills; (iii) book-keeping record management; (iv) business planning; (v) micro-finance; (vi) marketing; negotiation skills; and (vii) skills to support specific vocations.

Part C. **Impact Evaluation**

Carrying out of an impact evaluation of the Project in some selected sites to: (i) monitor the quality of the training provided; and (ii) document any emerging lessons in youth employment for post-conflict and low-income countries.

Part D. **Institutional Strengthening**

Carrying out a program of activities to ensure: (i) capacity building and collaboration between the technical staff at the Recipient’s MoGD ("Ministry of Gender Development") and the project
implementation and coordination team; and (ii) coordination between various partners through the establishment of different working groups.

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 MoGD and the Ministry of Finance 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 of.

2.03. **Institutional and Other Arrangements.** Without limitation upon the provisions of Section 2.02 of this Annex, the Recipient shall ensure that the POM prepared and adopted for the implementation of the Trust Fund Grant No. TF092541, pursuant to the letter agreement signed between the Recipient and the World Bank on September 11, 2008, be maintained at all times during the implementation of the Project.

2.04. **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 the 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 one month 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.

2.05. **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 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 (b) 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 such period shall be furnished to the World Bank not later than six months after the end of such period.

2.06. **Procurement**

   (a) **General.** All goods and 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:

(ii) Sections I and IV of the “Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” published by the World Bank in January 2011 (“Consultant Guidelines”) in the case of consultants’ services; and

(iii) 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 the Procurement Guidelines, or the Consultant Guidelines, as the case may be.

(c) Particular Methods of Procurement of Goods

(i) Except as otherwise provided in sub-paragraph (ii) below, goods shall be procured under contracts awarded on the basis of National Competitive Bidding

(ii) Other than National Competitive Bidding, Shopping and Direct Contracting may be used for procurement of goods.

(d) 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 so specified in the Procurement Plan: (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) Selection of Individual Consultants.

(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) 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) Goods, consultants’ services, Operating Costs, Training and Workshops</td>
<td>1,761,642</td>
<td>100%</td>
</tr>
</tbody>
</table>

| TOTAL AMOUNT | 1,761,642 | 100% |

For the purposes of this paragraph the terms:

“Training and Workshops” means training and training-related activities under the Project, including seminars, workshops and study tours, together with all costs associated with travel and subsistence allowances for training participants, trainers’ fees, rental of training facilities, preparation and reproduction of training materials and other activities reasonably incidental to the preparation and implementation of training activities, other than consultants’ services.

“Operating Costs” means the incremental operating costs incurred by the Recipient under the Project on account of local contractual support staff salaries (other than consultants’ services), employment benefits, travel expenditures and other travel-related allowances; equipment rental and maintenance; vehicle operation, maintenance and repair; office rental and maintenance, materials and supplies; and utilities, media information campaigns and communications expenses.

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 December 31, 2011.

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 at the time responsible for finance.

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

Ministry of Finance
Monrovia
Republic of Liberia
4.03. **World Bank’s Address.** The World Bank’s Address referred to in Section 7.01 of the Standard Conditions is:

International Development Association  
1818 H Street, N.W.  
Washington, D.C. 20433  
United States of America  

<table>
<thead>
<tr>
<th>Cable:</th>
<th>Telex:</th>
<th>Facsimile:</th>
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<tr>
<td>INDEVAS</td>
<td>248423 (MCI) or 1-202-477-6391</td>
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<tr>
<td>Washington, D.C.</td>
<td>64145</td>
<td>(MCI)</td>
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