

Satu Kähkönen Country Director Belarus, Moldova and Ukraine Europe and Central Asia

OFFICIAL DOCUMENTS

April 18, 2017

H. E. Mr. Octavian Armaşu Minister Ministry of Finance 7 Constantin Tănase Str. MD 2005 Chişinău Republic of Moldova

Re:

: Moldova: Advance Agreement for Preparation of Proposed Modernization of Government Services Project Project Preparation Advance No. V0620001

Excellency:

In response to the request for financial assistance made on behalf of the Republic of Moldova ("Recipient"), I am pleased to inform you that the International Bank for Reconstruction and Development ("World Bank") proposes to extend to the Recipient an advance out of the World Bank's Project Preparation Facility in an amount not to exceed one million seven hundred fifty-three thousand two hundred twenty United States Dollars and eighty-five cents (\$1,753,220.85) ("Advance") on the terms and conditions set forth or referred to in this letter agreement ("Agreement"), which includes the attached Annex, to assist in financing the activities described in the Annex ("Activities"). The objective of the Activities is to facilitate the preparation of a proposed project designed to improve access, efficiency and the quality of delivery of selected government administrative services ("Project"), for the carrying out of which the Recipient has requested the World Bank's financial assistance.

The Recipient represents, by confirming its agreement below, that: (a) it understands that the provision of the Advance does not constitute or imply any commitment on the part of the World Bank or the International Development Association to assist in financing the Project; and (b) it is authorized to enter into this Agreement and to carry out the Activities, repay the Advance and perform its other obligations under this Agreement, all in accordance with the provisions of this Agreement.

1818 H Street NW · Washington, DC 20433 USA

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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

Satu Kähkönen Country Director Belarus, Moldova and Ukraine Europe and Central Asia

AGREED:

REPUBLIC OF MOLDQVA By bresentative fized R Author

Title MINISTER OF FINANCE Date: MAY 04, 2017

Name DCTAVIAN ARMASU

Enclosures:

- (1) "Standard Conditions for Advances Made by the World Bank under its Project Preparation Facility", dated July 31, 2010;
- (2) Disbursement Letter for the Advance of the same date as this Agreement, together with "World Bank Disbursement Guidelines for Projects", dated May 1, 2006;
- (3) "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 2016; and
- (4) "Guidelines: Procurement of Goods, Works and Non-consulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers" dated January 2011 (revised July 2014).

cc: Mr. Frank Heemskerk, Executive Director, The World Bank

PPA No. V0620001 ANNEX

Article I Standard Conditions; Definitions

1.01. *Standard Conditions.* The Standard Conditions for Advances Made by the World Bank under its Project Preparation Facility 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, including the Appendix to this Agreement.

Article II Execution of the Activities

2.01. *Description of the Activities.* The Activities for which the Advance is provided consist of the following parts:

- (A) Project management preparation, including co-financing positions of the eGovernment Center core team, consultants with legal expertise and expertise in contracts management, finance administration, procurement, monitoring and evaluation, as well as consultants in business process reengineering, digital services and other Project start-up costs;
- (B) Technical assistance on the development of an inventory of services for further horizontal review; and for conducting a pilot on services re-engineering and institutional capabilities development for organizations (service providers), based on the three services selected by the Recipient and acceptable to the World Bank, for re-engineering during the first year of Project implementation;
- (C) Technical Assistance on reform management and coordination, including supporting the preparations of the meetings of the interagency council of e-transformation coordinators; development of a change management strategy and action plan, and establishment of monitoring, evaluation and reporting systems;
- (D) Development of a feasibility study for CUPS, including but not limited to selection of location; range of services to be piloted and successes criteria;
- (E) Assistance with studies, methodologies and activities to support digital platforms and services; development of detailed government-wide IT management and cyber security standards and procedures; and
- (F) Training and capacity building for civil servants and public employees involved in the management, coordination and implementation of government services modernization activities under this Agreement.

2.02. *Execution of the Activities Generally.* The Recipient declares its commitment to the objectives of the Activities. To this end, the Recipient shall cause the eGovernment Center to carry out the Activities in coordination with the State Chancellery in accordance with the provisions of: (a) Article II of the Standard Conditions; (b) this Article II; and (c) 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 2016.

2.03. **Institutional and Other Arrangements.** (a) Without limitation to the provisions of Section 2.02 of this Agreement, the Recipient shall transfer the proceeds of the Advance to the eGovernment Center through an agreement ("Subsidiary Agreement") under terms and conditions acceptable to the World Bank which shall include, *inter alia*, the roles and responsibilities of the eGovernment Center and the Recipient, through the Ministry of Finance and the State Chancellery, in connection with implementation of the Activities, including the eGovernment Center's obligation to:

(i) coordinate with the State Chancellery for the implementation of the Activities;

(ii) carry out the financial management, procurement and disbursements for the Activities under this Agreement with due diligence and efficiency and in accordance with the provisions set forth in Sections 2.04, 2.05, 2.06 and Article III of this Agreement, and with sound technical, economic, financial and managerial practices;

(iii) ensure that the Activities are carried out in accordance with the provisions of the Anti-Corruption Guidelines; and

(iv) take or permit to be taken all actions to enable the Recipient to comply with its obligations referred to in this Agreement in respect to the eGovernment Center.

(b) The Recipient, through the Ministry of Finance and the State Chancellery, shall exercise its rights and carry out its obligations under the Subsidiary Agreement in such manner as to protect the interests of the Recipient and the World Bank and to accomplish the purposes of the Advance. Except as the World Bank shall otherwise agree, the Recipient, through the Ministry of Finance and the State Chancellery, shall not assign, amend, abrogate or waive the Subsidiary Agreement or any of its provisions. In case of any conflict between the terms of the Subsidiary Agreement and those of this Agreement, the terms of this Agreement shall prevail.

2.04. *Monitoring, Reporting and Evaluation of the Activities.* The Recipient shall monitor and evaluate the progress of the Activities in accordance with the provisions of Section 2.08 of the Standard Conditions.

2.05. *Financial Management.* (a) The Recipient shall ensure that a financial management system is maintained in accordance with the provisions of Section 2.09 of the Standard Conditions.

(b) The Recipient shall ensure that interim un-audited financial reports for the Activities are prepared and furnished to the World Bank not later than forty-five 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 Sections 2.09 (b) of the Standard Conditions.

(i) If, on or before the Refinancing Date, a Refinancing Agreement has been executed by all of its parties, the Recipient shall have the Financial Statements included in the first audit of financial statements required under the Refinancing Agreement.

(ii) If, by the Refinancing Date, no Refinancing Agreement has been executed by all of its parties, such audit of the Financial Statements shall cover the period of the Advance, commencing with the fiscal year in which the first withdrawal under the Advance was made. The audited Financial Statements for such period shall be furnished to the World Bank not later than six months after the end of the Recipient's fiscal year in which the Refinancing Date occurs.

(iii) Notwithstanding the provisions of paragraphs (i) and (ii) of this Section, the World Bank may request an audit of the Financial Statements prior to the Refinancing Date, covering such period as is indicated in its request. 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) <u>General</u>. All goods, non-consulting services, and consultants' services required for the Activities and to be financed out of the proceeds of the Advance shall be procured in accordance with the requirements set forth or referred to in:

(i) Section I of the "Guidelines: Procurement of Goods, Works and Nonconsulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers" dated January 2011 (revised July 2014) ("Procurement Guidelines"), in the case of goods and nonconsulting services;

(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" dated January 2011 (revised July 2014) ("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 Activities in accordance with paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines ("Procurement Plan").

(b) <u>Definitions</u>. 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 Goods and Non-consulting Services

(i) Except as otherwise provided in sub-paragraph (ii) below, goods and nonconsulting services shall be procured under contracts awarded on the basis of International Competitive Bidding. (ii) The following methods, other than International Competitive Bidding, may be used for procurement of goods and non-consulting services for those contracts specified in the Procurement Plan: (A) Shopping; (B) Direct Contracting; and (C) National Competitive Bidding (NCB), subject to the following additional provisions:

Additional NCB Provisions:

Without limitation upon the provisions of paragraphs (a) and (b) of this Section, and Section I and paragraphs 3.3 and 3.4 of the Procurement Guidelines, the procurement procedure to be followed for National Competitive Bidding shall be the Open Bidding Procedure set forth in the Law on Public Procurement No. 131 dated July 3, 2015, as further amended on July 1, 2016, September 23, 2016 and October 3, 2016 (the "PPL"), provided, however, that such procedure shall be subject to the following additional provisions:

- 1) <u>Eligibility</u>: Eligibility to participate in a procurement process and to be awarded a World Bank-financed contract 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 World Bank for reasons other than those provided in Section I of the Procurement Guidelines.
- 2) <u>Registration of Contractors and Suppliers</u>: Registration shall not be used to assess bidders' qualifications. A foreign bidder shall not be required to register as a condition for submitting its bid, and a foreign bidder recommended for contract award shall be given a reasonable opportunity to register, with the reasonable cooperation of the Recipient, prior to contract signing.
- 3) <u>Participation of Joint Ventures</u>: Participation of Joint Ventures shall be allowed and all its members shall be jointly and severally liable for the entire contract.
- 4) <u>Bidding Documents</u>: Bidding documents acceptable to the World Bank shall be used, and shall be prepared so as to ensure economy, efficiency, transparency, and broad consistency with the provisions of Section I of the Procurement Guidelines.
- 5) Qualification: Qualification criteria shall be clearly specified in the bidding documents. All criteria so specified, and only such specified criteria, shall be used to determine whether a bidder is qualified. Qualification shall be assessed on a "pass or fail" basis, and merit points shall not be used. Such assessment shall be based entirely upon the bidder's or prospective bidder's capability and resources to effectively perform the contract, taking into account objective and measurable factors, including: (i) relevant general and specific experience, and satisfactory past performance and successful completion of similar contracts over a given period; (ii) financial position; and where relevant, (iii) capability of construction and/or manufacturing facilities. Prequalification procedures and documents acceptable to the World Bank shall be used for large, complex and/or specialized works. The verification of the information upon which a bidder was prequalified, including current commitments, shall be carried out at the time of contract award, along with the bidder's capability with respect to personnel and equipment. In the procurement of goods and works where pre-qualification is not used, the

qualification of the bidder who is recommended for award of contract shall be assessed by post-qualification, applying the qualification criteria stated in the bidding documents.

- 6) <u>Cost Estimate</u>: The detailed cost estimates shall be confidential and shall not be disclosed to prospective bidders. The cost estimate will include all taxes including Value Added Tax (VAT). No bids shall be rejected on the basis of comparison with the cost estimates without the World Bank's prior written concurrence.
- 7) <u>Bid Submission and Bid Opening</u>: Prospective bidders shall be given at least thirty (30) days from the date of publication of the invitation to bid or the date of availability of the bidding documents, whichever is later, to prepare and submit bids. Bids shall be opened in public, immediately after the deadline for submission of bids. Bids received after the deadline for bid submission shall be rejected and returned to bidders unopened. A copy of the bid opening minutes shall be promptly provided to all bidders who submitted bids, and to the World Bank with respect to contracts subject to the World Bank's prior review.
- 8) <u>Bid Evaluation</u>: Evaluation of bids shall be made in strict adherence to the evaluation criteria specified in the bidding documents. Evaluation criteria other than price shall be quantified in monetary terms. Merit points shall not be used, and no minimum point or percentage value shall be assigned to the significance of price, in bid evaluation. Contracts shall be awarded to the qualified bidder whose bid has been determined: (i) to be substantially responsive to the bidding documents; and (ii) to offer the lowest-evaluated cost. No negotiations shall be permitted. A bidder shall not be required, as a condition for award, to undertake obligations not specified in the bidding documents or otherwise to modify the bid as originally submitted. A bidder shall not be eliminated from detailed evaluation on the basis of minor, non-substantial deviations.
- 9) <u>Rejection of All Bids and Re-bidding</u>: 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 World Bank's prior written concurrence.
- 10) <u>Bid Validity</u>: The bid validity period required by the bidding documents shall be sufficient to account for any period that may be required for the approval and registration of the contract as contemplated in the PPL. If justified by exceptional circumstances, an extension of bid validity may be requested in writing from all bidders before the original bid validity expiration date, provided that such extension shall cover only the minimum period required to complete the evaluation, award a contract, and/or complete the registration process, but not more than thirty (30) days; a corresponding extension of any bid guarantee also shall be required in such cases. A Bidder may refuse the request for extension shall be requested without forfeiting its bid guarantee. No further extensions shall be requested without the prior written concurrence of the World Bank.
- 11) <u>Guarantees</u>: Guarantees shall be in the format included in the bidding documents. The bid guarantee shall be valid for twenty-eight days (28) beyond the original validity period of the bid, or beyond any period of extension if requested. No

advance payments shall be made without a suitable advance payment guarantee. Performance security shall not exceed ten percent (10%) of the contract amount.

- 12) <u>Fraud and Corruption</u>: The bidding documents and contract as deemed acceptable by the World Bank shall include provisions stating the World Bank's policy to sanction firms or individuals, found to have engaged in fraud and corruption as defined in the Procurement Guidelines.
- 13) Inspection and Audit Rights: Each bidding document and contract financed out the proceeds of the Financing shall provide that bidders, suppliers and contractors, and their subcontractors, agents, personnel, consultants, service providers, or suppliers, shall permit the World Bank to inspect all accounts, records, and other documents relating to the submission of bids and contract performance, and to have them audited by auditors appointed by the World Bank. Acts intended to materially impede the exercise of the World Bank's inspection and audit rights provided for in the Procurement Guidelines constitute an obstructive practice as defined in the Guidelines.
- 14) <u>Contract Modifications</u>: With respect to contracts subject to the World Bank's prior review, the Recipient shall obtain the World Bank's no objection before agreeing to: (a) a material extension of the stipulated time for performance of a contract; (b) any substantial modification of the scope of services or other significant changes to the terms and conditions of the contract; (c) any variation order or amendment (except in cases of extreme urgency) which, singly or combined with all variation orders or amendments previously issued, increases the original contract amount by more than fifteen percent (15%); or (d) the proposed termination of the contract. A copy of all contract amendments shall be provided to the World Bank.

(d) <u>Particular Methods of Procurement of Consultants' Services</u>

(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 under a Fixed Budget; (C) Least Cost Selection; (D) Selection based on Consultants' Qualifications; (E) Single-source Selection of consulting firms; (F) Selection of Individual Consultants; and (G) Single-source procedures for the Selection of Individual Consultants.

(e) <u>Review by the World Bank of Procurement Decisions</u>. 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 the Advance

3.01. *Eligible Expenditures.* The Recipient may withdraw the proceeds of the Advance 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 each category of Eligible Expenditures that may be financed out of the proceeds of the Advance ("Category"), the amount of the Advance allocated to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

Category	Amount of the Advance Allocated (expressed in Dollars)	Percentage of Expenditures to be Financed (inclusive of Taxes)
Goods, non-consulting services, consultants' services, Incremental Operating Costs and Training under the Activities	1,753,220.85	100%
TOTAL AMOUNT	1,753,220.85	

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, except that withdrawals up to an aggregate amount not to exceed \$350,644 equivalent may be made for payments prior to this date but on or after January 1, 2017, for Eligible Expenditures.

3.03. *Refinancing Date.* The Refinancing Date is December 15, 2017.

Article IV Terms of the Advance

4.01. **Interest.** The Recipient shall pay interest on the Withdrawn Advance Balance at a rate, for each Interest Period, equal to the Reference Rate plus the Fixed Spread; provided, however, that the interest payable shall in no event be less than zero percent (0%) per annum. Interest shall accrue from the respective dates on which amounts of the Advance are withdrawn and shall be paid in arrears in accordance with the provisions of Section 4.02 of this Agreement. The Interest Period Determination Dates are January 1 and July 1 in each year.

4.02. *Repayment.* The Withdrawn Advance Balance, together with interest accrued thereon shall be repaid by the Recipient to the World Bank in accordance with the provisions of Article IV of the Standard Conditions and the following provisions:

(a) *Refinancing under the Refinancing Agreement:* If, on or before the Refinancing Date, a Refinancing Agreement has been executed by all of its parties, then the full amount of the Withdrawn Advance Balance shall be repaid to the World Bank (together with interest accrued on the Advance to the date of repayment) as soon as the Refinancing Agreement becomes effective, by means of a withdrawal by the World Bank of an amount of the Refinancing Proceeds equivalent to the Withdrawn Advance Balance plus such interest, in accordance with the provisions of the Refinancing Agreement.

(b) *Repayment in the absence of a Refinancing Agreement:* If, on or before the Refinancing Date, no Refinancing Agreement has been executed by all of its parties, or if, by this date, it has been so executed but terminates without becoming effective, then:

(i) if the amount of the Withdrawn Advance Balance does not exceed US\$50,000, it shall be repaid by the Recipient to the World Bank (together with interest accrued on the Withdrawn Advance Balance to the date of repayment), on such date as the World Bank shall specify in a notice to the Recipient, which shall in no event be earlier than 60 days following the date of dispatch of such notice; and

(ii) if the amount of the Withdrawn Advance Balance exceeds US\$50,000, it (together with interest accrued on the Withdrawn Advance Balance to the Notice Date) (the "Aggregate Balance") shall be paid by the Recipient to the World Bank in ten approximately equal semiannual installments, in the amounts and on the dates ("Payment Dates") which the World Bank shall specify in a notice to the Recipient. In no event shall the first Payment Date be set earlier than 60 days following the date ("Notice Date") of dispatch of such notice. The Recipient shall pay interest on the Aggregate Balance at a rate, for each Interest Period, equal to the Reference Rate plus the Fixed Spread, payable in arrears on each Payment Date. Notwithstanding the foregoing, if any amount of the Aggregate Balance remains unpaid when due and such non-payment continues for a period of thirty days, then the Recipient shall pay the Default Interest Rate on such overdue amount in lieu of the interest rate specified above in this subparagraph (ii) until such overdue amount is fully paid. Interest at the Default Interest Rate shall accrue from the first day of each Default Interest Period and shall be payable semi-annually in arrears on each Payment Date.

Article V Additional Remedies

5.01. *Additional Events of Suspension.* The Additional Events of Suspension consist of the following:

(a) The eGovernment Center has failed to perform any obligation under the Subsidiary Agreement.

(b) The eGovernment Center Legislation has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely in the opinion of the World Bank the

ability of the eGovernment Center to perform any of its obligations under the Subsidiary Agreement.

Article VI Effectiveness; Termination

6.01. This Agreement shall not become effective until evidence satisfactory to the World Bank has been furnished to the World Bank that the following conditions have been met:

(a) the execution and delivery of this Agreement on behalf of the Recipient has been duly authorized by all necessary governmental actions.

(b) the Subsidiary Agreement referred to in Section 2.03 of this Annex has been executed on behalf of the Recipient and the eGovernment Center.

6.02. Except as the Recipient and the World Bank shall otherwise agree, this Agreement shall enter into effect on the date upon which the World Bank dispatches to the Recipient notice of its acceptance of the evidence required pursuant to Section 6.01 ("Effective Date"). If, before the Effective Date, any event has occurred which would have entitled the World Bank to suspend the right of the Recipient to make withdrawals from the Advance Account if this Agreement had been effective, the World Bank may postpone the dispatch of the notice referred to in this Section until such event (or events) has (or have) ceased to exist.

6.03. *Termination for Failure to Become Effective*. This Agreement and all obligations of the parties under it shall terminate if it has not entered into effect by the date 90 days after the date of this Agreement, unless the World Bank, after consideration of the reasons for the delay, establishes a later date for the purpose of this Section. The World Bank shall promptly notify the Recipient of such later date.

Article VII Recipient's Representative; Addresses

7.01. *Recipient's Representative*. The Recipient's Representative referred to in Section 9.02 of the Standard Conditions is its Minister of Finance.

7.02. *Recipient's Address*. The Recipient's Address referred to in Section 9.01 of the Standard Conditions is:

Ministry of Finance str. Constantin Tănase, 7, mun. Chișinău MD 2005 Republic of Moldova

Facsimile: (373-22) 26-25-17

7.03. *World Bank's Address*. The World Bank's Address referred to in Section 9.01 of the Standard Conditions is:

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International Bank for Reconstruction and Development 1818 H Street, N.W. Washington, D.C. 20433 United States of America

Telex:

Facsimile:

248423 (MCI) or 64145 (MCI) 1-202-477-6391

Appendix

Definitions.

- 1. "CUPS" means unified centers for public services delivery.
- 2. "eGovernment" means the use of information and communications technologies by government agencies to improve their activities, including administration, services, and connecting with citizens and society.
- 3. "eGovernment Center" means the Recipient's public institution in charge of implementing e-Government transformation related projects, created pursuant to the eGovernment Center Legislation, or any legal successor thereto acceptable to the World Bank.
- 4. "eGovernment Center Legislation" means the Government Decision No. 392, dated May 19, 2010 and Government Decision No. 760, dated August 18, 2010, that establishes the eGovernment Center, as amended and as in effect on the date of this Agreement.
- 5. "Incremental Operating Costs" means the incremental expenses incurred by the Recipient on account of Project preparation and implementation of the Activities under this Agreement, which may include office supplies, reasonable commercial banking charges and fees, vehicle operation and maintenance, communication and insurance costs, operation and maintenance of office equipment, office rent and administration costs, utilities, travel, and *per diem*, and remuneration of locally contracted employees (but excluding the salaries of the Recipient's civil service's officials), and other related expenditures as may be agreed upon by the World Bank, none of which would have been incurred in the absence of the Project.
- 6. "Project Implementation Unit" or "PIU" means the unit created within the e-Government Center for day-to-day Project implementation.
- 7. "State Chancellery" means the Recipient's state institution, established by Law No. 64, dated May 31, 1990 or any legal successor thereto acceptable to the World Bank.
- 8. "Subsidiary Agreement" means the agreement between the Recipient, through the Ministry of Finance and the State Chancellery and the eGovernment Center for the transfer of Advance proceeds, pursuant to Section 2.03 of this Agreement.
- 9. "Training" means reasonable expenditures (other than for consultants' services and nonconsultants' services) incurred by trainers, trainees and workshop participants for reasonable travel, room, board, and *per diem* expenses in connection with training and workshops under the Activities, including registration fees, facility and equipment rentals.