OFFICIAL DOCUMENTS

ORIGINAL GRANT NUMBER D073-LA
ORIGINAL CREDIT NUMBER 5676-LA
ADDITIONAL CREDIT NUMBER 6145-LA

Financing Agreement

(Providing Additional Financing and Amending and Restating the Original Financing Agreement for the Health Governance and Nutrition Development Project)

between

LAO PEOPLE'S DEMOCRATIC REPUBLIC

and

INTERNATIONAL DEVELOPMENT ASSOCIATION
FINANCING AGREEMENT

AGREEMENT dated as of the Signature Date between the LAO PEOPLE'S DEMOCRATIC REPUBLIC ("Recipient") and the INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association").

WHEREAS (A) under an agreement, dated August 17, 2015, between the Recipient and the Association ("Original Financing Agreement"), the Association agreed to provide the Recipient with a grant in an amount equivalent to nine million four hundred thousand Special Drawing Rights (SDR 9,400,000) ("Original Grant") and a credit in an amount equivalent to nine million four hundred thousand Special Drawing Rights (SDR 9,400,000) ("Original Credit") to assist in financing the Health Governance and Nutrition Development Project described in Schedule 1 to the Original Financing Agreement ("Original Project");

(B) the Recipient has requested the Association to provide additional financial assistance in support of additional activities related to the Original Project, by making available to the Recipient an additional credit ("Additional Credit") in an amount equivalent to seven million two hundred thousand Special Drawing Rights (SDR 7,200,000) for the Project described in Schedule 1 to this Agreement;

(C) under an agreement to be entered into between the Recipient and the Association and the International Bank for Reconstruction and Development ("Bank"), acting as administrator of the Integrating Donor-Financed Health Programs ("IDFHP") Multi-Donor Trust Fund ("IDFHP Grant Agreement"), the Bank and the Association intend to provide the Recipient with a grant from the IDFHP ("IDFHP Grant") in an amount not to exceed four million United States Dollars ($4,000,000) to assist in financing Parts 2 and 4 of the Project;

(D) under an agreement to be entered into between the Recipient and the Association, acting as administrator of the Japan Policy and Human Resources Development Fund ("PHRD") ("PHRD Grant Agreement"), the Association intends to provide the Recipient with a grant ("PHRD Grant") in an amount not to exceed one million United States Dollars ($1,000,000) to assist in financing Part 1 of the Project; and

WHEREAS the Association has agreed, on the basis, inter alia, of the foregoing to extend such additional assistance to the Recipient upon the terms and conditions set forth in this Agreement;

NOW THEREFORE the Recipient and the Association hereby agree to amend and restate the Original Financing Agreement, with effect from the Effective Date of this Agreement, to read as follows:
ARTICLE I—GENERAL CONDITIONS; DEFINITIONS

1.01. The General Conditions (as defined in the Appendix to this Agreement) apply to and form part of this Agreement.

1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in this Agreement (including the Preamble and Appendix hereto).

ARTICLE II—FINANCING

2.01. The Association agrees to extend to the Recipient the following grant and credits, all deemed by the Association to be on concessional terms, as set forth or referred to in this Agreement (collectively, “Financing”) in the following amounts to assist in financing the project described in Schedule I to this Agreement (“Project”):

(a) the Original Grant in an amount equivalent to nine million four hundred thousand Special Drawing Rights (SDR 9,400,000);

(b) the Original Credit in an amount equivalent to nine million four hundred thousand Special Drawing Rights (SDR 9,400,000); and

(c) the Additional Credit in an amount equivalent to seven million two hundred thousand Special Drawing Rights (SDR 7,200,000).

2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section III of Schedule 2 to this Agreement.

2.03. The Maximum Commitment Charge Rate is one-half of one percent (1/2 of 1%) per annum on the Unwithdrawn Financing Balance.

2.04. The Service Charge is three-fourths of one percent (3/4 of 1%) per annum on the Withdrawn Credit Balance.

2.05. The Interest Charge is one and a quarter percent (1.25%) per annum on the Withdrawn Credit Balance of the Additional Credit.

2.06. The Payment Dates are: (a) May 15 and November 15 in each year in respect of the Original Grant and the Original Credit; and (b) February 15 and August 15 in each year in respect of the Additional Credit.
2.07. The principal amounts of the Original Credit and the Additional Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.

2.08. The Payment Currency is Dollars.

**ARTICLE III—PROJECT**

3.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall carry out the Project through its Ministry of Health ("MOH") in accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement.

**ARTICLE IV—REMEDIES OF THE ASSOCIATION**

4.01. The Additional Event of Suspension is that the PHRD Grant Agreement has failed to become effective by January 31, 2018 or such later date as the Association has established by notice to the Recipient; provided, however, that the provisions of this Section shall not apply if the Recipient establishes to the satisfaction of the Association that adequate funds for Part I of the Project are available from other sources on terms and conditions consistent with its obligations under this Agreement or if the Association agrees to restructure the Project.

**ARTICLE V—EFFECTIVENESS; TERMINATION**

5.01. The Additional Condition of Effectiveness is that the IDFHP Grant Agreement has been executed and delivered and all conditions precedent to its effectiveness or to the right of the Recipient to make withdrawals under it (other than the effectiveness of this Agreement), have been fulfilled.

5.02. The Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.

5.03. For purposes of Section 8.05 (b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty (20) years after the Signature Date.
ARTICLE VI—REPRESENTATIVE; ADDRESSES

6.01. The Recipient's Representative is its Minister at the time responsible for finance.

6.02. For purposes of Section 11.01 of the General Conditions:
   
   (a) the Recipient's address is:
   
   Ministry of Finance
   23rd Singha Road
   Saysettha District
   Vientiane
   Lao PDR
   
   (b) the Recipient's Electronic Address is:
   
   Facsimile:  856-21-412142
   E-mail: Chanthavongsa.t@gmail.com

6.03. For purposes of Section 11.01 of the General Conditions:

   (a) The Association’s Address is:
   
   International Development Association
   1818 H Street, N.W.
   Washington, D.C. 20433
   United States of America
   
   (b) The Association’s Electronic Address is:
   
   Facsimile:  1-202-477-6391
   Email: Egoldstein@worldbank.org
AGREED as of the Signature Date:

LAO PEOPLE'S DEMOCRATIC REPUBLIC

By

Authorized Representative
Name: Thipphakone CHANTHAVONGSA
Title: Deputy Minister of Finance
Date: 06 NOV 2017

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Authorized Representative
Name: Ellen A. GOLDSTEIN
Title: Country Director
Date: 06 NOV 2017
The objective of the Project is to help increase coverage of reproductive, maternal and child health, and nutrition services in target areas in the Recipient's territory, and to provide immediate and effective response in case of an Eligible Crisis or Emergency.

SCHEDULE 1

Project Description

The Project consists of the following parts:

Part 1: Health Sector Governance Reform

1.1 Development, implementation and maintenance of an improved health management information system of the MOH, including the integration of all vertical programs' health management information systems into a single district health information system; and (b) technical support, capacity building and training for MOH staff at the central, provincial and district levels in the use of such system, including the establishment of a national health information center.

1.2 Development and implementation of improved business processes for the notification of births, and training for MOH staff in the use of such system.

1.3 Technical support, capacity building and training for MOH staff to use district health information system data for evidence-based planning of health system policies and programs.

Part 2: Service Delivery

2.1 Carrying out of a program of activities designed to strengthen the Recipient's health system management at the central level to support and oversee the implementation of decentralized health and nutrition service delivery.

2.2 Carrying out of a program of activities designed to strengthen: (a) the Recipient's health system administration, management, financial management, and monitoring and evaluation at the provincial level; and (b) the delivery of reproductive, maternal and child health, and nutrition services at the provincial, district, village and health facility level in Target Provinces.

Part 3: Nutrition Social and Behavioral Change Communication

3.1 Development of an integrated national strategy and implementation plan for social and behavioral change communication to improve nutrition.

3.2 Implementation of the strategy developed under Part 3.1 at the national level and at the village level in selected priority districts, including carrying out of relevant
studies and surveys, development and production of marketing and communication tools and materials, and facilitation of training and communication sessions at the village level with a focus on sanitation, personal and environmental hygiene, maternal and child health, and/or other determinants of health and nutrition.

Part 4: Project Management, Monitoring and Evaluation

4.1 Provision of technical and operational assistance for the day-to-day coordination, administration, procurement, financial management, environmental and social safeguards management, and monitoring and evaluation of the Project, including the development of checklists for supervision of health facilities, the conduct of third-party verifications of the achievement of Disbursement Linked Indicators, and the carrying out of financial audits of the Project.

4.2 Provision of technical assistance for capacity building of MOH staff at the provincial and district level for the monitoring and reporting of Disbursement Linked Indicators, capacity building of MOH staff at the national, provincial and district level for health program planning and implementation, and carrying out of studies and surveys necessary to inform the implementation of Project activities.

4.3 Provision of technical assistance to improve financial management and expenditure tracking at central, provincial and district levels, and improve the capacity for results-based management and in particular planning for DLI implementation.

Part 5: Contingent Emergency Response

Provision of immediate response to an Eligible Crisis or Emergency, as needed.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. Ministry of Health

The Recipient shall establish by not later than the Effective Date, and thereafter maintain throughout the Project implementation period, a National Program Coordination Office ("NPCO") in the DPIC with a mandate and resources satisfactory to the Association, including a Program Director supported by staff in numbers and with terms of reference and qualifications satisfactory to the Association, which shall be responsible for, inter alia: (a) the overall administration of the Project, including the preparation of Annual Work Plans and Budgets and approval of the Project Operations Manual; (b) the overall implementation of Project activities and achievement of DLIs at the national level with the support of MOH Technical Departments and those PHOs and DHOs participating in the Project; (c) the overall administration of financial management, procurement, environmental and social safeguards management, and communication of all Project activities; (d) the overall monitoring, evaluation and reporting of Project activities and DLIs; and (e) reporting to Technical Working Groups on the implementation of Project activities and the achievement of DLIs.

2. Provincial Health Offices

The Recipient shall maintain, throughout the Project implementation period, Project implementation staff at the PHO of each Target Province in numbers and with terms of reference, qualifications and resources satisfactory to the Association, which shall be responsible for, inter alia: (a) the implementation of Project activities and achievement of DLIs at the provincial level; (b) the monitoring and reporting to the MOH of Project activities and achievement of DLIs at the provincial level; and (c) the provision of technical support to DHOs in the implementation of Project activities at the district level and village level.

3. District Health Offices

The Recipient shall maintain, throughout the Project implementation period, Project implementation staff at each DHO participating in the Project in numbers and with terms of reference, qualifications and resources satisfactory to the Association, which shall be responsible for, inter alia: (a) the implementation of Project activities at the district and village level and reporting to the PHO on said activities; and (b) the supervision and provision of technical support to health
facilities in their delivery of reproductive, maternal and child health, and nutrition services.

B. **Memoranda of Understanding**

1. To facilitate the carrying out of Part 2 of the Project, the Recipient shall, not later than one (1) month after the Effective Date of this Agreement, ensure that the DPIC shall enter into a Memorandum of Understanding with each MOH Technical Department, under terms and conditions satisfactory to the Association), each of which shall include, *inter alia*, the following:

   (a) the DLIs, DLI Targets, DLI Values and DLI Target Achievement Dates pertinent to the roles of the DPIC and the respective MOH Technical Department, for each of the Central Level DLIs, including baseline data;

   (b) the DPIC's and respective MOH Technical Department's responsibilities in overseeing and supporting the implementation of the relevant Provincial Level DLIs;

   (c) the DPIC's and respective MOH Technical Department's obligations to comply with the relevant provisions of the Project Operations Manual, including the verification protocol containing the technical standards and arrangements and procedures for the monitoring, reporting and verification of DLIs; and

   (d) the DPIC's and respective MOH Technical Department's obligation to provide all such resources as may be necessary for the respective parties to carry out aforesaid responsibilities.

   all in accordance with the provisions of this Agreement.

2. To facilitate the carrying out of Part 2.2 of the Project, the Recipient shall, not later than one (1) month after the Effective Date of this Agreement, make part of the proceeds of the Financing allocated from time to time to Category (1) of the table set forth in Section III.A of this Schedule available to the Target Provinces under an amended memorandum of understanding between the Recipient (acting through DPIC) and each Target Province, under terms and conditions satisfactory to the Association ("Memorandum of Understanding"), each of which shall include, *inter alia*, the following:

   (a) the DLIs, DLI Targets, DLI Values and DLI Target Achievement Dates for the respective Target Province for each of the Provincial Level DLIs, including baseline data;

   (b) the respective Target Province's obligation to comply with the relevant provisions of the Project Operations Manual, including the verification
protocol containing the technical standards and arrangements and procedures for the monitoring, reporting and verification of DLIs; and

(c) the Recipient’s obligation to provide all such resources as may be necessary for the respective Target Province to carry out aforesaid responsibilities,

all in accordance with the provisions of this Agreement.

3. The Recipient shall exercise its rights under the Memoranda of Understanding in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive any of the Memoranda of Understanding or any of their provisions.

C. Project Operations Manual

1. The Recipient shall, no later than one (1) month after the Effective Date of this Agreement, prepare and adopt an updated version of the Project Operations Manual, in form and substance satisfactory to the Association, and thereafter ensure that the Project is carried out in accordance with the arrangements and procedures set out in the Project Operations Manual as agreed with the Association.

2. Unless the Association otherwise agrees in writing, the Recipient shall not amend, abrogate or waive any provision of the Project Operations Manual.

3. In the case of any conflict between the provisions of the Project Operations Manual and the provisions of this Agreement, the provisions of this Agreement shall prevail.

D. Annual Work Plans and Budgets

The Recipient shall:

1. furnish, not later than November 30 of each year, an annual work plan and budget ("Annual Work Plan and Budget") for each following Fiscal Year during the implementation of the Project, in a manner and substance satisfactory to the Association, covering the activities and expenditures proposed for such Fiscal Year and the sources and percentages of financing of such activities and expenditures; which plan and budget shall be of such scope and detail as the Association shall have reasonably requested; and

2. thereafter implement the activities under the Project during the relevant year in accordance with such plan and budget as agreed with the Association.
E. Environmental and Social Safeguards

1. The Recipient shall ensure that the Project is carried out in accordance with the provisions of the Safeguard Instruments.

2. The Recipient shall ensure that the activities under the Project do not involve, or result in, any land acquisition or displacement of persons.

3. Without limitation on paragraph 2 above or the provisions of Section III of this Schedule, any activities involving the acquisition of land or the displacement of persons shall not be eligible to be carried out or financed under the Project.

4. The Recipient shall ensure that any studies and technical assistance activities to be supported by the Project are carried out under terms of reference satisfactory to the Association and are consistent with, and pay due attention to, the Association's environmental and social safeguard policies.

5. Without limitation on its other reporting obligations under this Agreement, the Recipient shall collect, compile and submit to the Association, as part of the Project Reports, consolidated reports on the status of compliance with the Safeguard Instruments, giving details of:

   (a) measures taken in accordance with the said instruments;

   (b) conditions, if any, which interfere or threaten to interfere with the implementation of the said measures; and

   (c) remedial measures taken or required to be taken to address such conditions.

6. The Recipient shall not amend, abrogate or waive, or permit to be amended, abrogated or waived, the Safeguard Instruments unless the Association has provided its prior approval thereof in writing, and the Recipient has complied with the same consultation and disclosure requirements as applicable to the original adoption of the Safeguard Instruments.

7. In the case of any conflict between the provisions of any of the Safeguard Instruments and the provisions of this Agreement, the provisions of this Agreement shall prevail.

F. DLI Monitoring and Reporting

1. The Recipient shall maintain, throughout the Project implementation period, an independent academic institution, with terms of reference and qualifications satisfactory to the Association, for the purpose of carrying out independent
verifications of the status of achievement of DLI Targets in accordance with the verification protocol and procedures set out in the Project Operations Manual.

2. Without limitation on its other reporting obligations under this Agreement, the Recipient shall, not later than October 31, 2017 for Year 2, and not later than September 1 of each subsequent Year during the Project implementation period, furnish reports to the Association on the status of achievement of the relevant DLI Targets, including the reports of the independent academic institution referred to in paragraph 1 above, all in accordance with the verification protocol and procedures set out in the Project Operations Manual.

G. Contingent Emergency Response

1. In order to ensure the proper implementation of contingent emergency response activities under Part 5 of the Project ("Emergency Response Part"), the Recipient shall:

(a) prepare and furnish to the Association for its review and approval, an Emergency Response Manual ("ERM") which shall set forth detailed implementation arrangements for the Emergency Response Part, including: (i) any special institutional arrangements for coordinating and implementing the Emergency Response Part; (ii) specific activities which may be included in the Emergency Response Part, Eligible Expenditures required therefor ("Emergency Expenditures"), and any procedures for such inclusion; (iii) financial management arrangements for the Emergency Response Part; (iv) procurement methods and procedures for the Emergency Response Part; (v) documentation required for withdrawals of Emergency Expenditures; (vi) application of the Safeguard Instruments and any other relevant safeguard instruments to the Emergency Response Part; and (vii) any other arrangements necessary to ensure proper coordination and implementation of the Emergency Response Part;

(b) afford the Association a reasonable opportunity to review the proposed ERM;

(c) promptly adopt the ERM for the Emergency Response Part as accepted by the Association;

(d) ensure that the Emergency Response Part is carried out in accordance with the ERM; provided, however, that in the event of any inconsistency between the provisions of the ERM and this Agreement, the provisions of this Agreement shall prevail; and
(e) not amend, suspend, abrogate, repeal or waive any provision of the ERM without the prior written approval by the Association.

2. The Recipient shall undertake no activities under the Emergency Response Part unless and until the following conditions have been met in respect of said activities:

(a) the Recipient has determined that an Eligible Crisis or Emergency has occurred, has furnished to the Association a request to include said activities in the Emergency Response Part in order to respond to said Eligible Crisis or Emergency, and the Association has agreed with such determination, accepted said request and notified the Recipient thereof; and

(b) the Recipient has ensured the preparation and disclosure of all safeguard instruments as may be required for said activities in accordance with the ERM, the Association has approved all said instruments, and the Recipient has ensured the implementation of any actions which are required to be taken under said instruments.

Section II. Project Monitoring, Reporting and Evaluation

The Recipient shall furnish to the Association each Project Report not later than forty-five (45) days after the end of each semester of the Fiscal Year, covering the semester.

Section III. Withdrawal of the Proceeds of the Financing

A. General. Without limitation upon the provisions of Article II of the General Conditions and in accordance with the Disbursement and Financial Information Letter, the Recipient may withdraw the proceeds of the Financing to finance Eligible Expenditures in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Original Grant Allocated (expressed in SDR)</th>
<th>Amount of the Original Credit Allocated (expressed in SDR)</th>
<th>Amount of the Additional Credit Allocated (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Eligible Expenditure Programs</td>
<td>6,900,000</td>
<td>6,900,000</td>
<td>5,400,000</td>
<td>100% of the DL1 Values to be financed out of the proceeds of</td>
</tr>
</tbody>
</table>
under Part 2 of the Project | the Financing as specified in Schedule 4 to this Agreement

| (2) Goods, non-consulting services, consulting services, Training and Workshops, and Operating Costs under Parts 1, 3 and 4 of the Project | 2,500,000 | 2,500,000 | 1,800,000 | 100% of the share of expenditures to be financed from the Financing as specified in the respective Annual Work Plans and Budgets

| (3) Emergency Expenditures under Part 5 of the Project | 0 | 0 | 0 | 100% |

| TOTAL AMOUNT | 9,400,000 | 9,400,000 | 7,200,000 |

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made:

(a) (i) for payments made prior to the date of the Original Financing Agreement, with respect to amounts of the Original Grant and the Original Credit, except that withdrawals up to an aggregate amount not to exceed SDR 3,760,000 may be made for payments made prior to this date but on or after October 1, 2014, for Eligible Expenditures under Categories (1) and (2) subject to the requirements referred to in paragraph (b) below in respect of Category (1); and (ii) for payments made prior to the Signature Date of this Agreement, with respect to amounts of the Additional Credit, except that withdrawals up to an aggregate amount not to exceed SDR 1,440,000 may be made for payments made prior to this date but on or after October 1, 2016, for Eligible Expenditures under Categories (1) and
subject to the requirements referred to in paragraph (b) below in respect of Category (1);

(b) for Eligible Expenditure Programs under Category (1), unless and until the Recipient has:

(i) furnished evidence satisfactory to the Association in accordance with the verification protocol set forth in the Project Operations Manual that the Recipient has achieved the respective DLI Targets set forth in Schedule 4 to this Agreement against which withdrawal is requested; and

(ii) complied with the additional instructions in the Disbursement and Financial Information Letter, including furnished to the Association the applicable interim unaudited financial reports documenting the incurrence of Eligible Expenditure Programs during the respective DLI period up to the date against which withdrawal is requested; or

(c) for Emergency Expenditures under Category (3), unless and until the Association is satisfied that all of the following conditions have been met in respect of said expenditures:

(i) the Recipient has determined that an Eligible Crisis or Emergency has occurred, has furnished to the Association a request to include said activities in the Emergency Response Part in order to respond to said crisis or emergency, and the Association has agreed with such determination, accepted said request and notified the Recipient thereof;

(ii) the Recipient has ensured that all safeguards instruments required for said activities have been prepared and disclosed, and the Recipient has ensured that any actions which are required to be taken under said instruments have been implemented, all in accordance with the provisions of Sections I.E and I.G of this Schedule;

(iii) the entities in charge of coordinating and implementing the Emergency Response Part have adequate staff and resources, in accordance with the provisions of Section 1.G of this Schedule, for the purposes of said activities; and

(iv) the Recipient has adopted the ERM, in form and substance acceptable to the Association, and the provisions of the ERM remain - or have been updated in accordance with the provisions
of Section I.G of this Schedule so as to be - appropriate for the inclusion and implementation of the Emergency Response Part.

2. Notwithstanding the provisions of Parts A and B.1(b) of this Section, the amount of the Financing to be withdrawn upon the verified achievement of any DLI Target shall correspond to the DLI Value of such DLI Target as set forth in Schedule 4 to this Agreement, subject to the percentage of financing set out in the withdrawal table in Part A of this Section.

3. Notwithstanding the provisions of Part B.1(b) of this Section, if the Association shall determine, based on the evidence furnished by the Recipient under Part B.1 of this Section, that:

   (a) any scalable DLI Target has been partially achieved, the Association may in its sole discretion authorize the withdrawal of a portion of the amount of the Financing then allocated to said DLI Target, calculated on a pro rata basis in accordance with the provisions of the Project Operations Manual; and

   (b) any DLI Target has not been fully achieved by its DLI Target Achievement Date, the Association may in its sole discretion, by notice to the Recipient:

      (i) withhold in whole or in part the amount of the Financing allocated to such DLI Target;

      (ii) roll-over and disburse in whole or in part the withheld amount of the Financing allocated to such DLI Target at any later time prior to the Closing Date, if and when the Association shall be satisfied that corresponding DLI Target(s) for any subsequent year (if applicable) have been fully achieved or exceed, as further specified in the Project Operations Manual;

      (iii) reallocate in whole or in part any withheld amount of the Financing allocated to such DLI Target in accordance with the terms of this Agreement and the provisions of the Project Operations Manual; and/or

      (iv) cancel in whole or in part any withheld amount of the Financing allocated to such DLI Target.

4. The Closing Date is December 31, 2020.
Section IV. Other Undertakings

The amounts of the Original Grant allocated under each Category shall be disbursed before the amounts of the Original Credit and Additional Credit allocated under such Category.
SCHEDULE 3

Repayment Schedule

I. REPAYMENT OF THE ORIGINAL CREDIT

<table>
<thead>
<tr>
<th>Date Payment Due</th>
<th>Principal Amount of the Credit repayable (expressed as a percentage)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>On each May 15 and November 15, commencing November 15, 2021 to and including May 15, 2053</td>
<td>1.5625%</td>
</tr>
</tbody>
</table>

II. REPAYMENT OF ADDITIONAL CREDIT

<table>
<thead>
<tr>
<th>Date Payment Due</th>
<th>Principal Amount of the Credit repayable (expressed as a percentage)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>On each February 15 and August 15:</td>
<td></td>
</tr>
<tr>
<td>commencing February 15, 2023 to and including August 15, 2042</td>
<td>1.65%</td>
</tr>
<tr>
<td>commencing February 15, 2043 to and including August 15, 2047</td>
<td>3.40%</td>
</tr>
</tbody>
</table>

* The percentages represent the percentage of the principal amount of the Credit to be repaid, except as the Association may otherwise specify pursuant to Section 3.05(b) of the General Conditions.
### Schedule 4

#### I. DLIs for Years 0 and 1

<table>
<thead>
<tr>
<th>DLIs</th>
<th>Year 0</th>
<th>Year 1</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Central Level DLI 1:</strong> Percentage of HMIS data reports from the Target Provinces provided on time and fully completed in accordance with the National Guidelines for DHIS2 Implementation</td>
<td><strong>DLI Target:</strong>&lt;br&gt;(1) National Guidelines on DHIS2 Implementation approved by MOH Steering Committee; and&lt;br&gt;(2) Baseline established for April 1, 2015 – June 30, 2015 on the completeness and timeliness of data entry reports</td>
<td><strong>DLI Target:</strong>&lt;br&gt;Average percentage of HMIS data reports from all Target Provinces provided on time and fully completed in accordance with the National Guidelines for DHIS Implementation increased by 10% over baseline</td>
</tr>
<tr>
<td><strong>Central Level DLI 2:</strong> Number of Target Provinces which have two quarters' stock of Essential Family Planning and Nutrition Commodities</td>
<td><strong>DLI Target:</strong>&lt;br&gt;(1) MOH committee established to forecast and monitor the supply of Essential Family Planning and Nutrition Commodities; and&lt;br&gt;(2) List of Essential Family Planning and Nutrition Commodities approved by MOH committee</td>
<td><strong>DLI Target:</strong>&lt;br&gt;Details of stock availability of Essential Family Planning and Nutrition Commodities in all Target Provinces recorded by MOH</td>
</tr>
<tr>
<td><strong>Central Level DLI 3:</strong> Number of Target Provinces in which the number of health</td>
<td><strong>DLI Target:</strong></td>
<td><strong>DLI Target:</strong>&lt;br&gt;4 Target Provinces report 20% reduction from baseline</td>
</tr>
<tr>
<td>DLIs</td>
<td>Year 0</td>
<td>Year 1</td>
</tr>
<tr>
<td>------</td>
<td>--------</td>
<td>--------</td>
</tr>
<tr>
<td>centers without a community midwife has been reduced</td>
<td>Baseline for number of health centers with no community midwife in each Target Province established</td>
<td>DLI Value: SDR 140,000</td>
</tr>
<tr>
<td>Central Level DLI 4: Number of women in Target Provinces who receive free maternity health care services</td>
<td>DLI Target: Government decree issued for the implementation of guidelines for the nationwide provision of free maternity health care services</td>
<td>DLI Target: Baseline for number of women receiving free maternal health care services in Target Provinces established</td>
</tr>
<tr>
<td></td>
<td>DLI Value: SDR 720,000</td>
<td>DLI Value: SDR 280,000</td>
</tr>
<tr>
<td>Provincial Level DLIs</td>
<td>DLI Target per Target Province: Target Province Baseline established</td>
<td>DLI Target per Target Province: 10% increase over Target Province Baseline</td>
</tr>
<tr>
<td></td>
<td>DLI Value per Target Province: As set out in the Project Operations Manual up to a maximum total DLI Value for all Target Provinces of SDR 500,000</td>
<td>DLI Value per Target Province: As set out in the Project Operations Manual up to a maximum total DLI Value for all Target Provinces of SDR 500,000</td>
</tr>
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<td>DLI Value per Target Province:</td>
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<tr>
<td>Provincial Level DLI 2: Number of pregnant women who receive 4 Antenatal Care Contacts</td>
<td>DLI Target per Target Province: Target Province Baseline established</td>
<td>DLI Target per Target Province: 10% increase over Target Province Baseline</td>
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<td>DLI Value per Target Province: As set out in the Project Operations Manual up to a maximum total DLI Value for all Target Provinces of SDR 500,000</td>
<td>DLI Value per Target Province: As set out in the Project Operations Manual up to a maximum total DLI Value for all Target Provinces of SDR 500,000</td>
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<tr>
<td>Provincial Level DLI 3: Number of new women aged 15-49 years adopting long term methods of family planning</td>
<td>DLI Target per Target Province: Target Province Baseline established</td>
<td>DLI Target per Target Province: 10% increase over Target Province Baseline</td>
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<td>DLI Value per Target Province: As set out in the Project Operations Manual up to a maximum total DLI Value for all Target Provinces of SDR 500,000</td>
<td>DLI Value per Target Province: As set out in the Project Operations Manual up to a maximum total DLI Value for all Target Provinces of SDR 500,000</td>
</tr>
<tr>
<td>Provincial Level DLI 4: Number of children under 5 years who receive nutrition counselling and an updated growth chart in accordance with MOH guidelines</td>
<td>DLI Target per Target Province: Health facility staff in selected priority districts trained in nutrition counselling in accordance with MOH guidelines</td>
<td>DLI Target per Target Province: 10% increase over Target Province Baseline</td>
</tr>
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<td>DLI Value per Target Province: As set out in the Project Operations Manual up to a maximum total DLI Value for all Target Provinces of SDR 500,000</td>
<td>DLI Value per Target Province: As set out in the Project Operations Manual up to a maximum total DLI Value for all Target Provinces of SDR 500,000</td>
</tr>
<tr>
<td>Provincial Level DLI 5: Number of villages in Zones 2 and 3 with health centers in which Integrated Outreach Sessions are conducted at least four times during the Year</td>
<td>DLI Target per Target Province: Target Province Baseline established</td>
<td>DLI Target per Target Province: 10% increase over Target Province Baseline</td>
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<td>DLI Value per Target Province: As set out in the Project Operations Manual up to a maximum total DLI Value for all Target Provinces of SDR 500,000</td>
<td>DLI Value per Target Province: As set out in the Project Operations Manual up to a maximum total DLI Value for all Target Provinces of SDR 500,000</td>
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<td>DLIs</td>
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</table>
| **Provincial Level DLI 6:** Percentage of health centers and district hospitals in the Target Provinces which score more than 50% on the Standard Supervisory Checklist for every quarter of the Year | **DLI Target per Target Province:** Training of at least 1 PHO staff of each Target Province in the use of Standard Supervisory Checklists completed  
**DLI Value per Target Province:** As set out in the Project Operations Manual up to a maximum total DLI Value for all Target Provinces of SDR 140,000 | **DLI Target per Target Province:** Training of at least 2 health facility staff in each district of each Target Province in the use of Standard Supervisory Checklists completed; and  
**DLI Value per Target Province:** As set out in the Project Operations Manual up to a maximum total DLI Value for all Target Provinces of SDR 670,000 |
| **Provincial Level DLI 7:** Percentage increase in Target Province non-salary health recurrent expenditure allocated to the districts | **DLI Target per Target Province:** Target Province Baseline established  
**DLI Value per Target Province:** As set out in the Project Operations Manual up to a maximum total DLI Value for all Target Provinces of SDR 140,000 | **DLI Target per Target Province:** 5% increase over Target Province Baseline  
**DLI Value per Target Province:** As set out in the Project Operations Manual up to a maximum total DLI Value for all Target Provinces of SDR 430,000 |
## II. DLIs for Years 2, 3 and 4

<table>
<thead>
<tr>
<th>DLIs</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
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<tbody>
<tr>
<td><strong>Central Level DLI 1:</strong> Percentage of HMIS data reports from the Target Provinces provided on time and fully completed in accordance with the National Guidelines for DHIS2 Implementation</td>
<td>DLI Target: Average percentage of HMIS data reports from all Target Provinces provided on time and fully completed in accordance with the National Guidelines for DHIS2 is at least 80%.</td>
<td>DLI Target: Average percentage of HMIS data reports from all Target Provinces provided on time and fully completed in accordance with the National Guidelines for DHIS2 is at least 85%.</td>
<td>DLI Target: Average percentage of HMIS data reports from all Target Provinces provided on time and fully completed in accordance with the National Guidelines for DHIS2 is at least 90%.</td>
</tr>
<tr>
<td>DLI Value: SDR 90,000 from the Financing</td>
<td>DLI Value: SDR 70,000 from the Financing</td>
<td>DLI Value: SDR 70,000 from the Financing</td>
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</tr>
<tr>
<td><strong>Central Level DLI 2:</strong> Number of Target Provinces which have two quarters’ stock of Essential Family Planning and Nutrition Commodities in the provinces or regional stores</td>
<td>DLI Target: 4 Target Provinces have 2 quarters’ stock of Essential Family Planning and Nutrition Commodities by September 30, 2017</td>
<td>DLI Target: 8 Target Provinces have 2 quarters’ stock of Essential Family Planning and Nutrition Commodities every quarter of that Year</td>
<td>DLI Target: 12 Target Provinces have 2 quarters’ stock of Essential Family Planning and Nutrition Commodities every quarter of that Year</td>
</tr>
<tr>
<td>DLI Value: SDR 1,040,000 from the Financing</td>
<td>DLI Value: SDR 710,000 from the Financing</td>
<td>DLI Value: SDR 710,000 from the Financing</td>
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</table>
### DLIs

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<thead>
<tr>
<th>Central Level DLI 3: Number of Target Provinces in which the number of health centers without a community midwife as reported in DHIS2 has been reduced</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
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<tbody>
<tr>
<td>DLI Target: 6 Target Provinces report 40% reduction from baseline</td>
<td>DLI Target: 8 Target Provinces report 60% reduction from baseline</td>
<td>DLI Target: 12 Target Provinces report 80% reduction from baseline</td>
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<tr>
<td>DLI Value: SDR 140,000 from the Financing</td>
<td>DLI Value: SDR 70,000 from the Financing</td>
<td>DLI Value: SDR 70,000 from the Financing</td>
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</tbody>
</table>

### Central Level DLI 4: Number of women in the Target Provinces who receive free maternity health care services

<table>
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<tr>
<th>DLI Target: 1. MOH has issued a ministerial decision specifying the delegation of roles and responsibilities to different departments of MOH in the management of the free MCH services; 2. MOH has issued documentation that confirms that the budget allocated for the free MCH services for the year 2017 has been made available to the Target Provinces; and 3. Average number of women in the Target Provinces receiving free maternity health care services has increased by 10% over the baseline by July 1, 2017;</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>DLI Target: 1. MOH has issued national health insurance guidelines for the free MCH services to clarify the fee schedule, target population and services to be provided; 2. Inter-operability is established between the monitoring and evaluation systems of NHIB and DHIS2; 3. Payments for maternity health care services are made regularly in accordance with the national health insurance guidelines; and 4. Average number of women in the Target Provinces receiving free maternity health care services has increased by 20% over the baseline</td>
<td>DLI Target: 1. Payments for maternity health care services are made regularly in accordance with the national health insurance guidelines; and 2. Average number of women in the Target Provinces receiving free maternity health care services has increased by 20% over the baseline</td>
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<td>DLIs</td>
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<td><strong>DLI Value:</strong> As set out in the Project Operations Manual up to a maximum total DLI Value of SDR 220,000 from the Financing</td>
<td>services has increased by 15% over the baseline</td>
<td><strong>DLI Value:</strong> As set out in the Project Operations Manual up to a maximum total DLI Value of SDR 145,000 from the Financing</td>
<td><strong>DLI Value:</strong> As set out in the Project Operations Manual up to a maximum total DLI Value of SDR 145,000 from the Financing</td>
</tr>
</tbody>
</table>

<p>| Provincial Level DLI 1: Number of women who deliver with a skilled birth attendant at home or at a health facility | <strong>DLI Target per Target Province:</strong> 20% increase over Target Province Baseline | <strong>DLI Target per Target Province:</strong> 30% increase over Target Province Baseline | <strong>DLI Target per Target Province:</strong> 40% increase over Target Province Baseline |
| <strong>DLI Value per Target Province:</strong> As set out in the Project Operations Manual up to a maximum total DLI Value for all Target Provinces of SDR 500,000 from the Financing | <strong>DLI Value per Target Province:</strong> As set out in the Project Operations Manual up to a maximum total DLI Value for all Target Provinces of SDR 290,000 from the Financing | <strong>DLI Value per Target Province:</strong> As set out in the Project Operations Manual up to a maximum total DLI Value for all Target Provinces of SDR 290,000 from the Financing | <strong>DLI Value per Target Province:</strong> As set out in the Project Operations Manual up to a maximum total DLI Value for all Target Provinces of SDR 290,000 from the Financing |</p>
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<tr>
<th>DLIs</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
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<tbody>
<tr>
<td><strong>Provincial Level DLI 2:</strong> Number of pregnant women who receive 4 Antenatal Care Contacts</td>
<td><strong>DLI Target per Target Province:</strong> 20% increase over Target Province Baseline</td>
<td><strong>DLI Target per Target Province:</strong> 30% increase over Target Province Baseline</td>
<td><strong>DLI Target per Target Province:</strong> 40% increase over Target Province Baseline</td>
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<tr>
<td><strong>DLI Value per Target Province:</strong> As set out in the Project Operations Manual up to a maximum total DLI Value for all Target Provinces of SDR 500,000 from the Financing</td>
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<tr>
<td><strong>Provincial Level DLI 3:</strong> Number of new women aged 15-49 years adopting long term methods of family planning (for Year 2); Number of women aged 15-49 years who are continued users of long-term methods of family planning (for Years 3-4)</td>
<td><strong>DLI Target per Target Province:</strong> 13% increase over Target Province Baseline for new users</td>
<td><strong>DLI Target per Target Province:</strong> 10% increase over Target Province Baseline for continued users</td>
<td><strong>DLI Target per Target Province:</strong> 20% increase over Target Province Baseline for continued users</td>
</tr>
<tr>
<td><strong>DLI Value per Target Province:</strong> As set out in the Project Operations Manual up to a maximum total DLI Value for all Target Provinces of SDR 500,000 from the Financing</td>
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<tr>
<td><strong>Provincial Level DLI 4:</strong> Number of children under 5 years in the Target Provinces</td>
<td><strong>DLI Target per Target Province:</strong></td>
<td><strong>DLI Target per Target Province:</strong></td>
<td><strong>DLI Target per Target Province:</strong></td>
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<td>DLIs</td>
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<tr>
<td>who are weighed and measured at least 4 times in the year and their growth is plotted in the child’s growth chart (for Year 2); Number of children under 2 years in the Target Provinces who have 4 growth monitoring and promotion sessions in the year and their growth is plotted in two specified growth charts (for Years 3-4)</td>
<td>1. MCH Pink Books are available in all Target Provinces to cover at least one cohort of children in each province; 2. Standard operating procedures for growth monitoring and promotion sessions and plotting of growth in at least two specified child growth charts have been prepared by MOH and distributed to all Target Provinces; and 3. 10% increase over the baseline of children under 5 years in the Target Provinces who have been weighed and measured at least 4 times in the year and their growth has been plotted in the child’s growth chart</td>
<td>40,000 children under 2 years have had 4 growth monitoring and promotion sessions in the year and their growth has been plotted in the two specified growth charts in accordance with the standard operating procedures</td>
<td>40,000 children under 2 years have had 4 growth monitoring and promotion sessions in the year and their growth has been plotted in the two specified growth charts in accordance with the standard operating procedures</td>
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**DLI Value per Target Province:**
As set out in the Project Operations Manual up to a maximum total DLI Value for all Target Provinces of SDR 290,000 from the Financing
<table>
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<tr>
<th>DLIs</th>
<th>Year 2</th>
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<th>Year 4</th>
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<tr>
<td><strong>Provincial Level DLI 5:</strong> Number of villages in Zones 2 and 3 in which Integrated Outreach Sessions are conducted at least three times during the Year and reported in DHIS2</td>
<td>DLI Target per Target Province: 670 villages in Zones 2 and 3 in which Integrated Outreach Sessions are conducted at least three times during the year and reported in DHIS2</td>
<td>DLI Target per Target Province: 800 villages in Zones 2 and 3 in which Integrated Outreach Sessions are conducted at least three times during the year and reported in DHIS2</td>
<td>DLI Target per Target Province: 800 villages in Zones 2 and 3 in which Integrated Outreach Sessions are conducted at least three times during the year and reported in DHIS2</td>
</tr>
<tr>
<td><strong>DLI Value per Target Province:</strong> As set out in the Project Operations Manual up to a maximum total DLI Value for all Target Provinces of SDR 430,000 from the Financing</td>
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</table>

<p>| <strong>Provincial Level DLI 6:</strong> Percentage of health centers and district hospitals in the Target Provinces which score more than 50% on the Standard Supervisory Checklist monitored every six months of the Year | DLI Target per Target Province: 30% of health centers and district hospitals in the Target Provinces score more than 50% on the Standard Supervisory Checklist for every six months of the Year | DLI Target per Target Province: 50% of health centers and district hospitals in the Target Provinces score more than 50% on the Standard Supervisory Checklist for every six months of the Year | DLI Target per Target Province: 70% of health centers and district hospitals in the Target Provinces score more than 50% on the Standard Supervisory Checklist for every six months of the Year |
| <strong>DLI Value per Target Province:</strong> As set out in the Project Operations Manual up to a maximum total DLI Value for all Target Provinces of SDR 35,000 from the Financing and US$ 750,000 from the IDFHP Grant | | | |</p>
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<th>DLls</th>
<th>Year 2</th>
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<tr>
<td><strong>DLI Value per Target Province:</strong>&lt;br&gt;As set out in the Project Operations Manual up to a maximum total DLI Value for all Target Provinces of SDR 670,000 from the Financing</td>
<td><strong>DLI Value per Target Province:</strong>&lt;br&gt;As set out in the Project Operations Manual up to a maximum total DLI Value for all Target Provinces of SDR 290,000 from the Financing</td>
<td><strong>DLI Value per Target Province:</strong>&lt;br&gt;As set out in the Project Operations Manual up to a maximum total DLI Value for all Target Provinces of SDR 145,000 from the Financing</td>
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<tr>
<td><strong>Provincial Level DLI 7:</strong>&lt;br&gt;Percentage increase in Target Province non-salary health recurrent expenditure allocated to the districts</td>
<td><strong>DLI Target per Target Province:</strong>&lt;br&gt;10% increase over Target Province Baseline</td>
<td><strong>DLI Target per Target Province:</strong>&lt;br&gt;13% increase over Target Province Baseline</td>
<td><strong>DLI Target per Target Province:</strong>&lt;br&gt;16% increase over Target Province Baseline</td>
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<td><strong>DLI Value per Target Province:</strong>&lt;br&gt;As set out in the Project Operations Manual up to a maximum total DLI Value for all Target Provinces of SDR 430,000 from the Financing</td>
<td><strong>DLI Value per Target Province:</strong>&lt;br&gt;As set out in the Project Operations Manual up to a maximum total DLI Value for all Target Provinces of SDR 145,000 from the Financing</td>
<td><strong>DLI Value per Target Province:</strong>&lt;br&gt;As set out in the Project Operations Manual up to a maximum total DLI Value for all Target Provinces of SDR 145,000 from the Financing</td>
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<td>DLIs</td>
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<tr>
<td>Provincial level DLI 8: Number of Immunization Target Districts which have increased their coverage of Pentavalent 3 and measles and rubella immunization</td>
<td><strong>DLI Target:</strong> Baseline value for Pentavalent 3 and measles and rubella immunization coverage for each of the Immunization Target Districts is established and reported in DHIS2</td>
<td><strong>DLI Target:</strong> 50 Immunization Target Districts which have achieved an increase of 5% in coverage over the baseline</td>
<td><strong>DLI Target</strong> 50 Immunization Target Districts which have achieved an increase of 8% in coverage over the baseline</td>
</tr>
<tr>
<td><strong>DLI Value</strong> As set out in the Project Operations Manual up to a maximum total DLI Value for all Target Provinces of US$500,000 from the IDFHP Grant</td>
<td><strong>DLI Value</strong> As set out in the Project Operations Manual up to a maximum total DLI Value for all Target Provinces of US$750,000 from the IDFHP Grant</td>
<td><strong>DLI Value</strong> As set out in the Project Operations Manual up to a maximum total DLI Value for all Target Provinces of US$750,000 from the IDFHP Grant</td>
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APPENDIX

Section 1. Definitions

1. "Annual Work Plan and Budget" means the Recipient's annual work plan and budget for the Project for the following Fiscal Year, referred to in Section I.D of Schedule 2 to this Agreement; and "Annual Work Plans and Budgets" means, collectively, more than one such plan and budget.

2. "Antenatal Care Contact" means the delivery of a package of antenatal health and nutrition services by a skilled birth attendant in accordance with guidelines developed by the MOH Maternal and Child Health Center.

3. "Anti-Corruption Guidelines" means, for purposes of paragraph 5 of the Appendix to the General Conditions, 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.

4. "Category" means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.

5. "Central Level DLIs" means, collectively, the DLIs set to be achieved by the Recipient at the national level, as set forth in the table in Schedule 4 to this Agreement; and "Central Level DLI" means, individually, any of them.

6. "DHIS2" means the MOH web-based health management and information system.

7. "DHO" means a District Health Office of the MOH, responsible for health management activities in the respective district of the Recipient's territory.

8. "Disbursement Linked Indicator" and the acronym "DLI" means any one of the indicators set out in the table in Schedule 4 to this Agreement; and "DLIs" means, collectively, all such DLIs.

9. "DLI Target" means the annual target set to be achieved under each DLI as set forth in the table in Schedule 4 to this Agreement.

10. "DLI Target Achievement Date" means, with regard to each DLI Target, the end of the Fiscal Year during which the relevant DLI Target is set to be achieved as set forth in the table in Schedule 4 to this Agreement.

11. "DLI Value" means the total amount of the Financing and the IDFHP Grant allocated to each DLI Target as set forth in the table in Schedule 4 to this Agreement, as such amount may be reallocated in whole or in part among the DLI Targets or among the Categories by notice by the Association from time to time.
12. "DPIC" means the Department of Planning and International Cooperation of MOH, or any successor thereto.

13. "Eligible Crisis or Emergency" means an event that has caused, or is likely to imminently cause, a major adverse economic and/or social impact to the Recipient, associated with a natural or man-made crisis or disaster.

14. "Eligible Expenditure Programs" means MOH's budget lines consisting of Chapter 10 (wages and salaries for MOH staff), as set forth in the Project Operations Manual, which are required to support implementation of Part 2 of the Project.

15. "Emergency Expenditure" means any of the eligible expenditures set forth in the Emergency Response Manual in accordance with the provisions of Section I.G of Schedule 2 to this Agreement, and required for the Emergency Response Part.

16. "Emergency Response Manual" and the acronym "ERM" means the plan referred to in Section I.G of Schedule 2 to this Agreement, to be adopted by the Recipient for the Emergency Response Part in accordance with the provisions of said Section.

17. "Emergency Response Part" means a specific activity or activities to be carried out in the event of an Eligible Crisis or Emergency under Part 5 of the Project.

18. "Environmental Code of Practice" means the Recipient's code dated June 9, 2017, setting out measures and procedures to be included in contracts and carried out by contractors in order to avoid, minimize and/or mitigate any adverse environmental, health and safety impacts that may result from the implementation of the Project; as said code may be modified from time to time with the prior written agreement of the Association, and such term includes any schedules or annexes to such code(s).

19. "Environmental Management Plan" means the Recipient's plan dated July 13, 2017, setting out, inter alia, details of measures to be taken or caused to be taken by the Recipient in order to manage potential environmental risks and avoid, minimize, mitigate and/or compensate any adverse environmental impacts associated with the implementation of Project activities, together with adequate budget, institutional, monitoring and reporting arrangements capable of ensuring proper implementation of, and regular feedback on compliance with, its terms, as said plan may be modified from time to time with the prior written approval of the Association, and such term includes any annexes and schedules to such plan.

20. "Essential Family Planning and Nutrition Commodities" means those family planning and nutrition commodities identified by the MOH, and set out in a standard list of itemized commodities and their respective stock quantities to be
available in each Target Province in order to provide two calendar quarters’ consumption, to be developed by the MOH under Part 2 of the Project based on international best practice.

21. “Ethnic Group Development Plan” means the Recipient’s plan dated July 3, 2017, satisfactory to the Association, setting out measures and procedures to be implemented in the carrying out of the Project in areas where Ethnic Groups are residing, cultivating, hunting and carrying out other similar social activities, which including special planning measures or actions to be undertaken aimed at ensuring that through informed consultation the Ethnic Groups receive the benefits from the Project in a culturally compatible manner acceptable to them, and do not suffer adverse effects as a result of the implementation of the Project; as said plan may be modified from time to time with the prior written agreement of the Association, and such term includes any schedules or annexes to such plan.

22. “Ethnic Groups” means, for purposes of the Project, the social groups residing or engaged in livelihood activities in provinces participating in the Project, each of which possesses a distinct social and cultural identity that makes it vulnerable to being disadvantaged in the development process, including the presence in varying degrees of the following characteristics: (a) a close attachment to ancestral territories and to the natural resources in these areas; (b) self-identification and identification by others as members of a distinct cultural group; (c) a language, often different from the Lao language; (d) presence of customary social and political institutions; and (e) primarily subsistence-oriented production.

23. “Fiscal Year” means the Recipient’s fiscal year, which commences on January 1 and closes on December 31 of each year.


25. “Immunization Target Districts” means selected districts in the Target Provinces which are ranked lowest in coverage with Pentavalent 3 and measles and rubella immunizations in the year from June 2016 to May 2017 as per data from DHIS2.

26. “Integrated Outreach Session” means the delivery of a package of health and nutrition services, including nutrition counselling, to pregnant women and children under 5 years by health facility staff in accordance with MOH guidelines.

27. “MCH” means maternal and child health.

28. “MCH Pink Books” means booklets provided to pregnant women to record the services provided for antenatal care, delivery, and post-natal care, to record the
birth weight, immunization, and growth monitoring of children, and containing pertinent maternal and child care instructions.

29. “Memorandum of Understanding” means each memorandum of understanding entered into between the DPIC and each MOH Technical Department, and each memorandum of understanding entered into in an amended form between the DPIC and each Target Province, and referred to in Section I.B of Schedule 2 to this Agreement, for the purpose of carrying out Part 2 of the Project, as each such memorandum of understanding may be revised from time to time with the prior written agreement of the Association, and such term includes any annexes or schedules to such memorandum of understanding; and “Memoranda of Understanding” means, collectively, all such Memoranda of Understanding.

30. “Ministry of Health” and the acronym “MOH” means the Recipient’s Ministry of Health, or any successor thereto.

31. “MOH Steering Committee” means a committee established within MOH, chaired by the Minister of Health and comprising Vice Ministers and representatives of MOH Technical Departments, which is responsible for overseeing and providing guidance on the implementation of health sector reform activities at the policy and strategic level.

32. “MOH Technical Department” means the MOH’s Department of Food and Drugs, Department of Hygiene and Health Promotion, Department of Health, Medical Products and Supply Center, Department of Organization and Personnel, Department of Finance, and the NHIB, or any successors thereto.

33. “National Guidelines on DHIS2 Implementation” means the guidelines to be developed under Part 2 of the Project for the implementation of DHIS2, setting out the rules and procedures for the reporting of health management data by health facilities, including timing, content and format requirements.

34. “National Program Coordination Office” and the acronym “NPCO” means the office in DPIC, referred to in Section I.A.1 of Schedule 2 to this Agreement, which shall be responsible for, inter alia, the overall implementation of Project activities and coordinating the achievement of DLIs at the national level.

35. “NHIB” means the National Health Insurance Bureau, an agency established under the MOH for the purpose of operationalizing national health insurance.

36. “Operating Costs” means the reasonable costs incurred by the Recipient, based on Annual Works Plans and Budgets approved by the Association, for the day-to-day coordination, administration and supervision of Project activities, including leasing and/or routine repair and maintenance of vehicles, equipment, facilities and office premises, fuel, office supplies, utilities, consumables, communication
expenses (including postage, telephone and internet costs), translation, printing and photocopying expenses, bank charges, publications and advertising expenses, insurance, Project-related meeting expenses, Project-related travel, subsistence and lodging expenses, and other administrative costs directly related to the Project, but excluding salaries, bonuses, fees and honoraria or equivalent payments of members of the Recipient’s civil service.

37. “PHO” means a Provincial Health Office of the MOH, responsible for health management activities in the respective province of the Recipient’s territory.

38. “Procurement Regulations” means, for purposes of paragraph 87 of the Appendix to the General Conditions, the “World Bank Procurement Regulations for Borrowers under Investment Project Financing”, dated July 1, 2016.

39. “Project Operations Manual” means the Recipient’s manual referred to in Section LC of Schedule 2 to this Agreement, in form and substance satisfactory to the Association, containing detailed arrangements and procedures for: (i) institutional coordination and day-to-day execution of the Project at the central, provincial, district, village and health facility level; (ii) disbursement and financial management; (iii) procurement; (iv) environmental and social safeguards management; (v) monitoring, evaluation, reporting and communication; (vi) a verification protocol containing the technical standards and arrangements and procedures for the monitoring, reporting and verification of DLIs, as well as mechanisms for calculation and disbursement of funds in case of partially achieved DLIs; (vii) details of the Eligible Expenditure Programs, including eligible MOH budget lines and a negative list of any excluded budget lines; and (viii) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the Project, as said manual may be modified from time to time with the prior written approval of the Association; and such term includes any schedules, annexes and attachments to the Project Operations Manual.

40. “Provincial Level DLIs” means, collectively, the DLIs set to be achieved by each Target Province, as set forth in the table in Schedule 4 to this Agreement; and “Provincial Level DLI” means, individually, any of them.


42. “Signature Date” means the later of the two dates on which the Recipient and the Association signed this Agreement and such definition applies to all references to “the date of the Financing Agreement” in the General Conditions.

43. “Standard Supervisory Checklist” means the checklist, to be developed under Part 4 of the Project, to assist in monitoring and recording the delivery and availability
of maternal and child health and nutrition services at the health facility level according to standardized guidelines, including, *inter alia*, the physical state of facilities, the availability of essential medicines, the supply of essential equipment, the availability of adequate medical staff, and the maintenance of health records.

44. “Target Province Baseline” means a Target Province’s baseline data for a respective Provincial Level DLI as set out in the Project Operations Manual and the respective Target Province’s Memorandum of Understanding.

45. “Target Provinces” means, unless otherwise agreed with the Association in writing, collectively, the provinces of Oudomxai, Phongsaly, Luang Namtha, Bokeo, Xienkhouang, Luang Prabang, Houaphan, Sayaboury, Savannakhet, Champasak, Saravan, Sekong, Attapue, and Xaysomboun in the Recipient’s territory, or any successor(s) thereto; and “Target Province” means, individually, any one of them.

46. “Technical Working Groups” means the Recipient’s Technical Working Groups established to support coordination within the health sector and comprising representatives of relevant MOH stakeholders and development partners, which are responsible for providing advice to MOH on the implementation of reforms to the Recipient’s health sector, including those arising from the implementation of Project activities.

47. “Training and Workshops” means the reasonable costs incurred by the Recipient for training and workshops under the Project, based on Annual Work Plans and Budgets approved by the Association, and directly attributable to seminars, workshops and study tours, along with travel and subsistence allowances for training participants, course fees, services of trainers, rental of training facilities, preparation, acquisition, distribution and reproduction of training materials, and other activities directly related to course preparation and implementation.

48. “Year 0” means the calendar year commencing on the date that is 12 months prior to the Effective Date of the Original Financing Agreement and ending on such Effective Date; “Year 1” means the period from the end of Year 0 to June 30, 2016 for the Central Level DLIs and May 31, 2016 for the Provincial Level DLIs; “Year 2” means the period July 1, 2016 to June 30, 2017 for the Central Level DLIs and June 1, 2016 to May 31, 2017 for the Provincial Level DLIs; “Year 3” means the period July 1, 2017 to June 30, 2018 for the Central Level DLIs and June 1, 2017 to May 31, 2018 for the Provincial Level DLIs; and “Year 4” means the period July 1, 2018 to June 30, 2019 for the Central Level DLIs and June 1, 2018 to May 31, 2019 for the Provincial Level DLIs.

49. “Zone 2” means the geographic area within a Target Province that is within 5 to 10 kilometers distance of a health center.
50. “Zone 3” means the geographic area within a Target Province that is more than 10 kilometers distance from a health center.

Section II. Modifications to the General Conditions

Section 3.02 (b) is modified to read as follows:

“(b) The Commitment Charge shall accrue from a date sixty days after: (i) the date of the Original Financing Agreement with respect to the unwithdrawn balance of the Original Grant and the Original Credit; and (ii) the date of the Financing Agreement (Providing Additional Financing and Amending and Restating Original Financing Agreement) with respect to the unwithdrawn balance of the Additional Credit, to the respective dates on which amounts are withdrawn by the Recipient from the Financing Account or cancelled. The Commitment Charge shall accrue at the rate set as of the June 30 immediately preceding the accrual date and at such other rate as may be set from time to time thereafter pursuant to this Section. The rate set as of June 30 in each year shall be applied from the next Payment Date in that year. The Commitment Charge shall be payable semi-annually in arrears on each Payment Date. The Commitment Charge shall be computed on the basis of a 360-day year of twelve 30-day months.”