GRANT NUMBER D604-TJ

Financing Agreement

(Tajikistan Emergency COVID-19 Project)

between

REPUBLIC OF TAJIKISTAN

and

INTERNATIONAL DEVELOPMENT ASSOCIATION
AGREEMENT dated as of the Signature Date between REPUBLIC OF TAJIKISTAN ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association"). The Recipient and the Association hereby agree 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 the Appendix to this Agreement.

ARTICLE II — FINANCING

2.01. The Association agrees to extend to the Recipient a grant, which is deemed as Concessional Financing for purposes of the General Conditions, in an amount equivalent to eight million three hundred thousand Special Drawing Rights (SDR 8,300,000) ("Financing"), to assist in financing the project described in Schedule 1 to this Agreement ("Project").

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 Payment Dates are April 15 and October 15 in each year.

2.05. The Payment Currency is Dollar.
ARTICLE III — PROJECT

3.01. The Recipient declares its commitment to the objectives of the Project and the MPA Program. To this end, the Recipient shall carry out Parts 1, 2 and 4 of the Project through MoHSP and Part 3 of the Project through SASP 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of Suspension consists of the following, namely that the SASP's Legislation has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely, in the opinion of the Association, the ability of the SASP to perform any of the Recipient's obligations under this Agreement in respect to SASP.

4.02. The Additional Event of Acceleration consists of the following, namely that the event specified in Section 4.01 of this Agreement occurs.

ARTICLE V — EFFECTIVENESS; TERMINATION

5.01. The Additional Condition of Effectiveness consists of the following, namely that the MoF, MoHSP and SASP have concluded a Project Implementation Agreement satisfactory to the Association.

5.02. The Effectiveness Deadline is the date thirty (30) days after the Signature Date.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

6.01. The Recipient's Representative is its Minister of Finance.

6.02. For purposes of Section 11.01 of the General Conditions: (a) the Recipient's address is:

Ministry of Finance
3, Akademic Rajobovkho Street
Dushanbe, 734025
Republic of Tajikistan; and
(b) the Recipient’s Electronic Address is:

Facsimile:
(992-372) 213329

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; and

(b) the Association’s Electronic Address is:

Telex: 248423 (MCI)  
Facsimile: 1-202-477-6391
AGREED as of the Signature Date.

REPUBLIC OF TAJIKISTAN

By

Authorized Representative
Name: FAIZIODIN GAHHORZODA
Title: MINISTER OF FINANCE
Date: APRIL 3, 2020

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Authorized Representative
Name: JAN-PETER OLTERS
Title: COUNTRY MANAGER
Date: APRIL 3, 2020
SCHEDULE 1

Project Description

The objective of the Project is to prepare and respond to the COVID-19 pandemic in Tajikistan.

The Project constitutes a phase of the MPA Program, and consists of the following parts:

Part 1. Strengthening intensive care capacity

Support for the implementation of priority activities under the COVID-19 Emergency Response Plan of Tajikistan (ERP) related to inter alia case management and infection prevention and control through:

1.1 Infection prevention and control

Provision of medical supplies and equipment needed to detect and prevent COVID-19 infection, including, inter alia, personal protective equipment, COVID-19 testing kits, laboratory reagents, and other consumables.

1.2 Improving and establishing ICUs

(i) Provision of (a) medical supplies, equipment for intensive care diagnosis and treatment of COVID-19 patients and operating expenses for ICUs operations, and (b) training for ICUs staff;

(ii) Provide support for carrying out (a) a rapid assessment to map existing intensive care capacity and optimal distribution of expanded capacity; and (b) refurbishment works to establish at least 100 new fully equipped ICU beds nation-wide.

Part 2. Multisectoral response planning and community preparedness

Support information and communication activities to increase the attention and commitment of government, private sector, and civil society, and to raise awareness, knowledge and understanding among the general population about the risk and potential impact of the pandemic and to develop multi-sectoral strategies to address the pandemic through inter alia: (a) support to a multisectoral task force to coordinate the COVID-19 emergency response in Tajikistan, and support to national, oblast and rayonal bodies in mobilizing effective response activities; (b) development and implementation of a national communications and outreach strategy and action plan; (c) training of journalists on responsible reporting and emergency response procedures, covering all media types and national and regional-based outlets; and (d) training and activities related to COVID-19.
specific to Community Public Health Teams to increase awareness of preventive measures, support case detection and contact tracing, and promote community participation in slowing the spread of the COVID-19 pandemic.

Part 3. Temporary social support for vulnerable households

Provision of Cash Transfers to Beneficiaries to provide time-limited support to vulnerable households through the Targeted Social Assistance (TSA) system.

Part 4. Project Implementation and Monitoring

Support for Project implementation and management including: (i) support for procurement, financial management, environmental and social risk management, monitoring and evaluation, and reporting; (ii) recruitment and Training of PIU and technical consultants; and (iii) Operating Costs.
Section I. Implementation Arrangements

A. Institutional Arrangements

1. COVID-19 Emergency Response Plan of Tajikistan (ERP)

Without limiting any other provision of this Agreement, the Recipient shall:
   (a) ensure that the Project is carried out in accordance with the ERP, and
   (b) maintain, at all times during the implementation of the Project, adequate public health emergency coordination and management arrangements, all in a manner acceptable to the Association.

2. Project Implementation Agreement

To facilitate the carrying out of the activities under the Project, the Recipient shall cause MoF, MoHSP and SASP to enter into an agreement (“Project Implementation Agreement”) to delegate certain implementation functions under the Project, all under terms and conditions satisfactory to the Association 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 MoF, MoHSP and SASP shall not assign, amend, abrogate, or waive, or permit to be assigned, amended, abrogated, or waived, the aforementioned, or any provision thereof.

3. Project Management

   (a) The Recipient shall maintain, throughout the Project implementation, a Standing Headquarters on Outbreak Prevention and Containment chaired by the Prime Minister with a steering role for the overall national response, and for the Project interventions specifically; its composition and functions shall be further described in the POM.

   (b) The Recipient shall: (i) maintain, at all times during the implementation of the Project, the PIU, with composition, functions, staffing, facilities and other resources satisfactory to the Association; and (ii) designate the PIU to be responsible for day-to-day management and implementation of the Project, including inter alia, preparation of annual work plans, environmental and social safeguards management, financial management, procurement, monitoring and evaluation, and reporting.
Without limiting the foregoing, the Recipient shall by no later than one (1) month after the Effective Date, recruit a project officer, finance officer, a procurement officer, and an environmental and social safeguards officers for the PIU, in each case, with qualifications, experience and terms of reference acceptable to the Association.

4. **Project Operations Manual**

   (a) The Recipient shall by no later than one (1) month after the Effective Date, prepare and adopt a Project operations manual ("Project Operations Manual") containing detailed guidelines and procedures for the implementation of the Project, including with respect to: administration and coordination, monitoring and evaluation, financial management, procurement and accounting procedures, environmental and social safeguards, corruption and fraud mitigation measures, a grievance redress mechanism, personal data collection and processing in accordance with the applicable WHO and national guidelines, roles and responsibilities for Project implementation, eligibility criteria, amount and procedures for cash transfers under Part 3 of the Project, and such other arrangements and procedures as shall be required for the effective implementation of the Project, in form and substance satisfactory to the Association.

   (b) The Recipient shall carry out the Project in accordance with the Project Operations Manual.

   (c) The Recipient shall ensure that the Project Operations Manual is not amended, suspended, repealed or abrogated without the prior written approval of the Association.

   (d) In the event of any conflict between the provisions of the Project Operations Manual and, this Agreement, the provisions of this Agreement shall prevail.

5. The Recipient shall prepare and adopt, no later than one (1) month from the Effective Date, an ESMF satisfactory to the Association.

B. **Cash Transfers under Part 3**

1. To facilitate the carrying out of Part 3 of the Project, the Recipient shall make part of the proceeds of the Financing allocated to Category (2) of the table set forth in Section III.A of this Schedule available to SASP, under terms and conditions approved by the Association and further described in the Project Implementation Agreement and the POM.
2. Under Part 3 of the Project, the Recipient shall cause the SASP to make cash transfers to eligible Beneficiaries, through the Targeted Social Assistance system, in accordance with the eligibility criteria and procedures acceptable to the Association, as described in the POM.

C. Environmental and Social Standards

1. The Recipient shall ensure that the Project is carried out in accordance with the Environmental and Social Standards, in a manner acceptable to the Association.

2. Without limitation upon paragraph 1 above, the Recipient shall ensure that the Project is implemented in accordance with the Environmental and Social Commitment Plan ("ESCP"), in a manner acceptable to the Association. To this end, the Recipient shall ensure that:

   (a) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, and provided in the ESCP;

   (b) sufficient funds are available to cover the costs of implementing the ESCP;

   (c) policies and procedures are maintained, and qualified and experienced staff in adequate numbers are retained to implement the ESCP, as provided in the ESCP; and

   (d) the ESCP, or any provision thereof, is not amended, repealed, suspended or waived, except as the Association shall otherwise agree in writing, as specified in the ESCP, and ensure that the revised ESCP is disclosed promptly thereafter.

3. In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.

4. The Recipient shall ensure that:

   (a) all measures necessary are taken to collect, compile, and furnish to the Association through regular reports, with the frequency specified in the ESCP, and promptly in a separate report or reports, if so requested by the Association, information on the status of compliance with the ESCP and the environmental and social instruments referred to therein, all such reports in form and substance acceptable to the Association, setting out, inter alia: (i) the status of implementation of the ESCP; (ii) conditions, if any, which interfere or threaten to interfere with the implementation of the ESCP; and (iii) corrective and preventive measures taken or required to be taken to address such conditions; and
(b) the Association is promptly notified of any incident or accident related to or having an impact on the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, in accordance with the ESCP, the environmental and social instruments referenced therein and the Environmental and Social Standards.

5. The Recipient shall establish, publicize, maintain and operate an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances of Project-affected people, and take all measures necessary and appropriate to resolve, or facilitate the resolution of, such concerns and grievances, in a manner acceptable to the Association.

6. The Recipient shall ensure that all bidding documents and contracts for civil works under the Project include the obligation of contractors, subcontractors and supervising entities to: (a) comply with the relevant aspects of ESCP and the environmental and social instruments referred to therein; and (b) adopt and enforce codes of conduct that should be provided to and signed by all workers, detailing measures to address environmental, social, health and safety risks, and the risks of sexual exploitation and abuse, sexual harassment and violence against children, all as applicable to such civil works commissioned or carried out pursuant to said contracts.

Section II. Project Monitoring, Reporting and Evaluation

The Recipient shall furnish to the Association each Project Report not later than one month after the end of each calendar semester, covering the calendar 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 Grant Allocated (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed (exclusive of VAT and custom taxes, impost, levies, fees, excise and duties of any nature in effect at the time of each Financing withdrawal)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, works, non-consulting services, consulting services, Training and Operating Costs for the Project</td>
<td>6,000,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Payments for Cash Transfers under Part 3 of the Project</td>
<td>2,300,000</td>
<td>100%</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>8,300,000</strong></td>
<td></td>
</tr>
</tbody>
</table>

B. **Withdrawal Conditions; Withdrawal Period**

1. Notwithstanding the provisions of Part A above, no withdrawal shall be made:
   
   (a) for payments made prior to the Signature Date, except that withdrawals up to an aggregate amount not to exceed SDR 3,320,000 may be made for payments made prior to this date but on or after March 20, 2020, for Eligible Expenditures under Category (1); or

   (b) under Category (2) until the Recipient has adopted a decree mandating nation-wide rollout of the Targeted Social Assistance, with parameters satisfactory and administrative costs satisfactory to the Association

2. The Closing Date is December 1, 2021.
APPENDIX

Definitions

1. "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.

2. "Beneficiary" means any household eligible receiving Cash Transfer under Part 3 of the Project, as per criteria, amount, and procedures described in the POM; "Beneficiaries" means the plural thereof.

3. "Cash Transfer" means a transfer of funds in the form of grants on behalf of the Recipient to a Beneficiary, made or to be made under Part 3 of the Project in accordance with the provisions of the POM.

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

5. "Community Public Health Teams" means the teams consisting of primary health care staff and volunteer community leaders who work with communities on health promotion.


7. "Emergency Response Plan" and "ERP" mean the Recipient’s emergency response plan for COVID-19, approved by the Minister for Health and Social Protection on March 19, 2020, and acceptable to the Association, as said document may be modified from time to time during the COVID-19 pandemic, and such term includes all schedules and annexes to said document.

8. "Environmental and Social Commitment Plan" or "ESCP" means the environmental and social commitment plan for the Project, dated March 20, 2020, as the same may be amended from time to time in accordance with the provisions thereof, which sets out the material measures and actions that the Recipient shall carry out or cause to be carried out to address the potential environmental and social risks and impacts of the Project, including the lifetimes of the actions and measures, institutional, staffing, training, monitoring and reporting arrangements, and any environmental and social instruments to be prepared thereunder.

9. "Environmental and Social Management Framework" or "ESMF" means the framework to be prepared and adopted by the Recipient pursuant to Section I.A.5
of Schedule 2 to this Agreement and Section 1.2 of the ESCP, satisfactory to the Association, setting out the principles, rules, guidelines and procedures to screen and assess the potential adverse environmental and social risks and impacts (including health and safety issues) of Project activities, adopt measures to avoid, reduce, mitigate or offset environmental and social adverse risks and impacts, procedural, budget and institutional arrangements and actions needed to implement these measures, and information on the agency or agencies responsible for addressing the Projects’ risks and impacts; as well as for the preparation of environmental and social impact assessment/environmental and social management plans, as such framework may be amended by the Recipient from time to time, with the prior written agreement of the Association.


12. “ICU” means intensive care unit; “ICUs” means the plural thereof.

13. “MoF” means the Recipient’s Ministry of Finance, or any successor thereto acceptable to the Association.


15. “MPA Program” means the global emergency multiphase programmatic approach program designed to assist countries to prevent, detect and respond to the threat posed by COVID-19 and strengthen national systems for public health preparedness.
16. "Operating Costs" means the reasonable incremental expenses incurred by the Recipient on account of Project implementation, including costs related to audits, office equipment and supplies, vehicle operation and maintenance, shipping costs, office rentals, communication and insurance costs, office administration costs, bank charges, utilities, transport costs, travel, per diem and supervision costs, and salaries of contracted employees, but excluding salaries of officials of the Recipient’s civil service, as well as limited operating expenses for utilities, such as air conditioning, heating, plumbing, electrical for ICUs operations under Part 1.2 of the Project.

17. “PIU” means the Recipient’s Project implementing unit established within the Social Safety Net Strengthening Project’s Coordinating Group under SASP, or any successor thereto in accordance with the provisions of the Project Implementation Agreement and acceptable to the Association.

18. “Procurement Regulations” means, for purposes of paragraph 87 of the Appendix to the General Conditions, the “World Bank Procurement Regulations for IPF Borrowers”, dated July 2016, revised November 2017 and August 2018.

19. “Project Implementation Agreement” means the agreement referred to in Section I.A.2 in Schedule 2 to this Agreement.

20. “Project Operations Manual” means the manual referred to in Section I.A.4 of Schedule 2 to this Agreement, as such manual may be amended by the Recipient from time to time, with the prior written approval of the Association.


22. “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.

23. “Social Safety Net Strengthening Project” or “SSNSP” means the project described under the financing agreement for the Social Safety Net Strengthening Project between the Recipient and the Association, dated July 13, 2011 (Grant No. H726-TJ) and the additional financing agreement for the said SSNSP dated March 6, 2018 (Credit No. 6175-TJ; Grant No. D270-TJ).

24. “Standing Headquarters on Outbreak Prevention and Containment” means the Recipient’s Republican Headquarters for strengthening anti-epidemic measures to prevent transmission and emergence of new COVID-19 cases referred to in Section I.A.3 in Schedule 2 to this Agreement established pursuant to Recipient’s President Resolution No. AP-1365 dated March 18, 2020 chaired by the Prime
Minister and composed of representatives from relevant ministries, agencies, and development partners to provide a steering role for the overall national COVID-19 pandemic response, and for the Project interventions.

25. “Training” means expenditures for Project related study tours, training courses, seminars, workshops and other training activities not included under goods or service providers’ contracts, including costs of training materials, space and equipment rental, travel and per diem costs of trainees and trainers.


27. “WHO” means the World Health Organization.