Grant Agreement

(State and Local Governance Reform Project)

Between

FEDERAL REPUBLIC OF NIGERIA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION
Acting as Administrator of a Trust Fund for
State and Local Governance Reform Project

Dated 01 December, 2014
GRANT AGREEMENT

AGREEMENT dated \( \text{December 2014} \), 2014, entered into between FEDERAL REPUBLIC OF NIGERIA ("Recipient"), and INTERNATIONAL DEVELOPMENT ASSOCIATION ("World Bank" or "Association"), acting as administrator of a trust fund for State and Local Governance Reform Project, funded by the European Union as represented by the European Commission ("European Union").

The Recipient and the World Bank hereby agree as follows:

**Article I**

**Standard Conditions; Definitions**


1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the Standard Conditions or in this Agreement.

**Article II**

**The Project**

2.01. The Recipient declares its commitment to the objectives of the project described in Schedule 1 to this Agreement ("Project"). To this end, the Recipient shall carry out Part C.1 of the Project through the National Planning Commission ("NPC") and cause Parts A, B and C.2 of the Project to be carried out by Participating States, in accordance with the provisions of Article II of the Standard Conditions.

2.02. Without limitation upon the provisions of Section 2.01 of this Agreement, and except as the Recipient and the World Bank shall otherwise agree, the Recipient shall ensure that the Project is carried out in accordance with the provisions of Schedule 2 to this Agreement.

**Article III**

**The Grant**

3.01. The World Bank agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a grant in an amount equal to fifty-four
amount, nine hundred and ninety thousand Euro (€54,990,000) ("Grant") to assist in financing the Project.

3.02. The Recipient may withdraw the proceeds of the Grant in accordance with Section IV of Schedule 2 to this Agreement.

3.03. The Grant is funded out of the trust fund for which the World Bank receives periodic contributions from the European Union to the trust fund. In accordance with Section 3.02 of the Standard Conditions, the World Bank's payment obligations in connection with this Agreement are limited to the amount of funds made available to it by the European Union under the abovementioned trust fund, and the Recipient's right to withdraw the Grant proceeds is subject to the availability of such funds.

**Article IV — Effectiveness; Termination**

4.01. The Additional Conditions of Effectiveness consist of the following:

(a) Subsidiary Agreement has been executed on behalf of the Recipient and at least on: Participating State in accordance with the provisions of Section I.B of Schedule 2 to this Agreement and the same state has adopted the Project Implementation Manual, in form and substance satisfactory to the World Bank.

(b) The Recipient, through the National Planning Commission, has adopted the Project Implementation Manual, in form and substance satisfactory to the World Bank.

4.02. The Effectiveness Deadline is the date one hundred and eighty (180) days after the date of this Agreement.

**Article V**

**Recipient's Representative; Addresses**

5.01. The Recipient's Representative referred to in Section 7.02 of the Standard Conditions is its Federal Minister at the time responsible for national planning.

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

The Honorable Minister  
National Planning Commission  
Plot 421 Constitution Avenue  
Central Business District, Abuja
5.03. The World Bank's address referred to in Section 7.01 of the Standard Conditions is:

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

<table>
<thead>
<tr>
<th>Cable:</th>
<th>Telex:</th>
<th>Facsimile:</th>
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<tbody>
<tr>
<td>INDEVAS</td>
<td>248423 (MCI) or</td>
<td>1-202-477-6391</td>
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<td></td>
<td>64145 (MCI)</td>
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</table>
AGREED at Abuja, Nigeria, as of the day and year first above written.

FEDERAL REPUBLIC OF NIGERIA

By

[Signature]
Authorized Representative

Name: [Signature]
Title: [Signature]

INTERNATIONAL DEVELOPMENT ASSOCIATION
acting as administrator of a trust fund for State and Local Governance Reform Project

By

[Signature]
Authorized Representative

Name: [Signature]
Title: [Signature]
SCHEDULE I

Project Description

The objective of the Project is to improve transparency, accountability and quality in public financial management in the Participating States.

The Project consists of the following components (parts):

Part A: Public Financial Management Reforms

Enhancement of the quality of public expenditure at the State level by promoting appropriate fiscal planning; methodologies and standardization of public financial management processes, procedures and reporting through provision of technical assistance and logistical support and rehabilitation of office space, required to:

1. review, formulate, enact, disseminate and implement an adequate organic public finance legal framework including appropriate legal mechanisms aimed at fostering and sustaining transparency and accountability for management of public financial resources;

2. carry out suitable budget reforms by implementing a program of activities designed to improve the capacity of public officials and staff involved in formulation, presentation, execution and monitoring of state budget as well as improving the capacity of oversight institutions, media and civil society organizations involved in monitoring state budgets;

3. review and modernize the state accounting and financial reporting system as well as revenue and expenditure forecasting;

4. review and strengthen systems of control and functionality in public financial management with support to state integrated financial management information systems;

5. strengthen internal and external audit and the carrying out of legislative oversight functions by the relevant officials through strengthening the offices of the accountant-general of the state and the state auditor-general, consolidation of the state internal and external audit functions and capacity building for members of the public accounts committee of the state legislature;

6. strengthen state tax administration by implementing a program of activities including: (a) improving tax payer registry; (b) conducting statewide survey for the identification of new taxpayers; (c) reviewing state tax laws; (d) reviewing organizational structure for the state board of internal revenues; and (e) strengthening the capacity of the revenue agency to conduct tax audits;
7. support the development of social accountability mechanisms in key areas such as planning, budgeting and public procurement;

8. carry out suitable reforms designed to strengthen public procurement processes and practices including: (a) strengthening regulatory and institutional framework for procurement at state level; (b) developing and strengthening the capacity of procurement specialists in the state civil service; and (c) carrying out state wide campaign to raise awareness on the role of good public procurement system in the fight against corruption and provide technical assistance to governmental and non-governmental institutions to strengthen their capacity to monitor procurement at state level; and

9. develop and implement a program aimed at strengthening public financial management capacity within the relevant MDAs \textit{inter alia}, through comprehensive assessment of existing skills and training needs and provision of adequate and appropriate training.

\textbf{Part B: Support to Local Governance}

Carrying out a program of activities designed to promote devolution of functions to local governments (or groups of local governments as in Jigawa state) in Participating States and enhance the performance of selected local governments in each state in the area of planning and implementation of social services, such a program to include such activities as:

1. carrying out studies on devolution of authority to Local Governments (LGs) or groups of Local Governments as well as validation and dissemination of the outcome of these studies in workshops organized across each state;

2. providing technical assistance to each Participating State government to develop and implement a road map for devolution of authority by the respective Participating State Government to selected agencies; and

3. carrying out a program of activities designed to strengthen the capacity of three Local Governments (including respective office of auditor general for local governments, local government service commission and ministry responsible for local governments) in the areas of accounting, auditing, budgeting, procurement, tax administration and monitoring and evaluation.

\textbf{Part C: Project Coordination at Federal and State Levels}

1. Coordination and monitoring by the Recipient of the overall implementation of the Project, and dissemination of lessons learned under the Project, including provision of goods required for the purpose.
2. Implementation, management, coordination and monitoring of the Project by each Participating State in the respective Participating State, including provision of goods required for the purpose.
SCHEDULE 2
Project Execution

Section I. Institutional Arrangements

A. Institutional Arrangements

1. The Recipient shall: (a) coordinate the execution of the Project at the Federal level through National Project Coordination Unit ("NPCU"); and (b) cause each Participating State to carry out its respective Part of the Project through its respective State Project Coordination Unit ("SPCU"); all in accordance with the provisions of this Agreement.

2. The Recipient shall maintain NPCU within NPC throughout the implementation period of the Project with functions and responsibilities acceptable to the World Bank and with staff in adequate numbers whose qualifications and experience shall be at all times acceptable to the World Bank so as to ensure prompt and efficient coordination and monitoring of the activities of the Project with the Participating States.

3. The Recipient shall cause each Participating State, prior to commencement of its Respective Part of the Project, to: (a) establish the following agencies: (i) a State Project Steering Committee ("SPSC"); (ii) a State Technical Committee ("STC"); and (iii) a State Project Coordination Unit ("SPCU"); and (b) maintain its SPSC, STC and SPCU throughout the implementation period of the Project with functions and responsibilities acceptable to the Association and with staff in adequate numbers whose qualifications and experience shall be at all times acceptable to the Association so as to ensure prompt and efficient implementation of the Project by each Participating State as provided hereafter:

   (a) The SPSC shall be composed of the heads of each agency involved in the execution of the Project and shall be responsible to provide overall guidance and oversight as needed to foster prompt and efficient implementation of the Project.

   (b) The STC shall be composed of high level technical or professional experts charged with strategic management of the operations of each agency involved in carrying out the activities of the Project on day-to-day basis.

   (c) The SPCU shall be responsible for day-to-day coordination of Project activities and operations; it shall be headed by a full time project coordinator and staffed with relevant specialists endowed with adequate expertise in project management, procurement, accounting, internal
audit, monitoring and evaluation, information and communication technology and office management.

4. The Recipient shall cause each Participating State to maintain at all times during the implementation of the Project, its Project Financial Management Unit ("PFMU"), in form and with mandate, resources, and qualified and experienced staff, including accountants and internal auditors, in adequate numbers, all satisfactory to the World Bank, so as to ensure prompt and efficient implementation and reliable financial management of the Project.

B. Subsidiary Agreement

1. To facilitate the carrying out of Parts A, B and C.2 of the Project, the Recipient shall make the proceeds of the Grant allocated from time to time to categories 1 through 6 of the table set forth in Section IV.A.2 of this Schedule available to the respective Participating State under a Subsidiary Agreement ("Subsidiary Agreement") between the Recipient and the Participating State, under terms and conditions approved by the World Bank, which shall include the requirement that the Recipient shall obtain rights adequate to protect its interests and those of the Association, including the right to: (i) suspend or terminate the right of the State to use the proceeds of the Subsidiary Grant, or obtain a refund of all or any part of the amount of the Subsidiary Grant then withdrawn, upon the State’s failure to perform any of its obligations under the Subsidiary Agreement; and (ii) require each Participating State to: (A) carry out its Respective Part of the Project with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, environmental and social standards and practices satisfactory to the World Bank, including in accordance with the provisions of the Anti-Corruption Guidelines applicable to recipients of loan proceeds other than the Recipient; (B) provide, promptly as needed, the resources required for the purpose; (C) procure the goods, works and services to be financed out of the Subsidiary Grant in accordance with the provisions of this Agreement; (D) maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with indicators acceptable to the Association, the progress of its Respective Part of the Project and the achievement of its objectives; (E) (I) maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the Association, both in a manner adequate to reflect the operations, resources and expenditures related to its Respective Part of the Project; and (II) have such financial statements audited annually by independent auditors acceptable to the Association, in accordance with consistently applied auditing standards acceptable to the Association, and promptly furnish the statements as so audited to the Recipient and the World Bank, but in any event not later than 6 months after the end of each calendar year; (F) enable the Recipient and the World Bank to inspect the State’s Respective Part of the Project, its operation and any relevant records and documents; and (G) prepare and furnish to the Recipient and
the World Bank all such information as the Recipient or the World Bank shall reasonably request relating to the foregoing.

2. The Recipient shall exercise its rights under the Subsidiary Agreement in such manner as to protect the interests of the Recipient and the World Bank and to accomplish the purposes of the Grant. Except as the World Bank shall otherwise agree in writing, the Recipient shall not assign, amend, abrogate or waive the Subsidiary Agreement or any of its provisions.

C. Anti-Corruption

The Recipient shall ensure that the Project is carried out in accordance with the provisions of the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006 and revised in January 2011 ("Anti-Corruption Guidelines").

D. Project Implementation Manual

1. The Recipient shall prepare a Project Implementation Manual in form and substance satisfactory to the Association, containing detailed arrangements and procedures for implementation of the Project including inter alia: (a) institutional coordination and day-to-day implementation of the Project; (b) disbursement, procurement and financial management including financial and technical audit of the Project; (c) environmental and social safeguards management; (d) monitoring and evaluation, reporting and communication, including performance indicators; (e) a capacity building program for designated Project implementation staff at federal, state and local levels; and (f) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the Project.

2. The Recipient shall: (a) furnish to and exchange views with the World Bank on such manual promptly upon its preparation; and (b) thereafter adopt, and cause each Participating State to adopt such manual as shall have been approved by the Association (Project Implementation Manual or PIM).

3. The Recipient shall ensure that the Project is carried out in accordance with the arrangements and procedures set out in the PIM (provided, however, that in case of any conflict between the arrangements and procedures set out in the PIM and the provisions of this Agreement, the provisions of this Agreement shall prevail), and shall not amend, abrogate or waive, or permit to be amended, abrogated or waived, the PIM or any of its provisions without prior approval in writing by the World Bank.
E. **Safeguards**

1. If any activities included in any Annual Work Plan would require, pursuant to the ESMF, the preparation of an environmental assessment or environmental management plan, the Recipient shall ensure that such environmental assessment and/or management plan (as the case may be) shall be prepared in accordance with the provisions of the ESMF, and that no such activities shall commence unless and until such environmental assessment and/or management plan (as the case may be) shall have been approved by the World Bank and any measures required thereunder prior to the commencement of such activities shall have been implemented.

2. The Recipient shall ensure the collection, compilation, and furnishing to the World Bank, on a quarterly basis, of reports on the status of compliance with the ESMF, and any environmental assessment and management plan required thereunder, giving details of: (a) measures taken in furtherance of such ESMF, assessment and plan; (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of such ESMF, assessment or plan; and (c) remedial measures taken or required to be taken to address such conditions.

F. **Annual Work Plans**

1. The Recipient shall prepare and furnish to the World Bank for its approval, not later than October 31 in each year during the implementation of the Project or such later date as the Association may agree, consolidated annual work plans and budgets containing all eligible Project activities, proposed to be carried out in the following calendar year by the Recipient and by each State under the Project.

2. The Recipient shall afford the World Bank a reasonable opportunity to exchange views with it on each such proposed work plans and budgets, and thereafter ensure the diligent implementation, monitoring and evaluation of each such plan and budget as shall have been approved by the World Bank ("Annual Work Plan"), in accordance with the provisions set forth in this Agreement and in more detail in the PIM and the respective Subsidiary Agreements.

G. **European Union Visibility, Visits and Measures**

1. The Recipient shall take or cause to be taken all such measures as the World Bank may reasonably request to identify publicly the European Union’s support for the Project.

2. For the purposes of Section 2.09 of the Standard Conditions, the Recipient shall, upon the World Bank’s request, enable the representatives of the European Union to visit any part of the Recipient’s territory for purposes related to the Project.
3. Without limitation upon the provisions of Article IV of the Standard Conditions, the European Union may adopt measures vis-a-vis the Recipient should the Recipient fail to comply with its obligations as applicable under Section 4.05(a) of the Standard Conditions.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports; Completion Report

1. The Recipient shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 2.06 of the Standard Conditions and on the basis of indicators acceptable to the World Bank. Each Project Report shall cover the period of one calendar semester, and shall be furnished to the World Bank not later than forty-five (45) days after the end of the period covered by such report.

2. The Recipient shall prepare the Completion Report in accordance with the provisions of Section 2.06 of the Standard Conditions. The Completion Report shall be furnished to the World Bank not later than six (6) months after the Closing Date.

B. Financial Management; Financial Reports; Audits

1. The Recipient shall ensure that a financial management system is maintained in accordance with the provisions of Section 2.07 of the Standard Conditions.

2. The Recipient shall ensure that interim unaudited financial reports for the Project are prepared and furnished to the World Bank not later than forty-five (45) days after the end of each calendar semester, covering the semester, in form and substance satisfactory to the World Bank.

3. The Recipient shall have its Financial Statements for the Project audited in accordance with the provisions of Section 2.07(b) of the Standard Conditions. Each such audit of the Financial Statements shall cover the period of one fiscal year of the Recipient. The audited Financial Statements for each such period shall be furnished to the World Bank not later than six (6) months after the end of such period.

4. The Recipient shall recruit, not later than six (6) months after the Effective Date, the independent auditors referred to in Section 2.07(b) of the Standard Conditions, in accordance with Section III of Schedule 2 of this Agreement and pursuant to terms of reference satisfactory to the World Bank to be responsible for inter alia, performing financial and technical audits of the Project.
Section III. Procurement

A. General

1. Procurement and Consultant Guidelines. All goods, works, non-consulting services and consultants’ services required for the Project and to be financed out of the proceeds of the Grant shall be procured in accordance with the requirements set forth or referred to in:

(a) Section I of the “Guidelines: Procurement of Goods, Works and Non-consulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011 (“Procurement Guidelines”) in the case of goods, works and non-consulting services, and Sections I and IV of the “Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011 (“Consultant Guidelines”) in the case of consultants’ services; and

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

2. Definitions. The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the World Bank of particular contracts refer to the corresponding method described in Sections II and III of the Procurement Guidelines, or Sections II, III, IV and V of the Consultant Guidelines, as the case may be.

B. Particular Methods of Procurement of Goods, Works and Non-consulting Services

1. International Competitive Bidding. Except as otherwise provided in paragraph 2 below, goods, works and non-consulting services shall be procured under contracts awarded on the basis of International Competitive Bidding.

2. Other Methods of Procurement of Goods, Works and Non-consulting Services. The following methods, other than International Competitive Bidding, may be used for procurement of goods, works and non-consulting services for those contracts specified in the Procurement Plan: (a) Direct Contracting; (b) National Competitive Bidding; and (c) Shopping.
C. Particular Method of Procurement of Consultants' Services

1. Quality- and Cost-based Selection. Except as otherwise provided in paragraph 2 below, consultant’s services shall be procured under contracts awarded on the basis of Quality- and Cost-based Selection.

2. Other Methods of Procurement of Consultants' Services. The following methods, other than Quality- and Cost-based Selection, may be used for procurement of consultants’ services for those assignments which are specified in the Procurement Plan: (a) Quality-based Selection; (b) Selection based on Consultants’ Qualifications; (c) Single-source Selection of consulting firms; (d) Selection of Individual Consultants; and (e) Single-source procedures for the Selection of Individual Consultants.

D. Review by the World Bank of Procurement Decisions

The Procurement Plan shall set forth those contracts which shall be subject to the World Bank’s Prior Review. All other contracts shall be subject to Post Review by the World Bank.

Section IV. Withdrawal of Grant Proceeds

A. General

1. The Recipient may withdraw the proceeds of the Grant in accordance with the provisions of: (a) Article III of the Standard Conditions; (b) this Section; and (c) such additional instructions as the World Bank may specify by notice to the Recipient (including the “World Bank Disbursement Guidelines for Projects” dated May 2006, as revised from time to time by the World Bank and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the table in paragraph 2 below.

2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Grant (“Category”), the allocations of the amounts of the Grant to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:
<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Grant Allocated (expressed in EURO)</th>
<th>Percentage of Expenditures to be Financed (exclusive of Taxes)</th>
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</thead>
<tbody>
<tr>
<td>(1) Goods, Operating Costs, works, non-consulting services, Training and consultants' services under Parts A, B and C.2 of the Project for Anambra State</td>
<td>7,395,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Goods, Operating Costs, works, non-consulting services, Training and consultants' services under Parts A, B and C.2 of the Project for Cross River State</td>
<td>7,395,000</td>
<td>100%</td>
</tr>
<tr>
<td>(3) Goods, Operating Costs, works, non-consulting services, Training and consultants' services under Parts A, B and C.2 of the Project for Osun State</td>
<td>7,395,000</td>
<td>100%</td>
</tr>
<tr>
<td>(4) Goods, Operating Costs, works, non-consulting services, Training and consultants' services under Parts A, B and C.2 of the Project for Kano State</td>
<td>7,395,000</td>
<td>100%</td>
</tr>
<tr>
<td>(5) Goods, Operating Costs, works, non-consulting services, Training and consultants' services under Parts A, B and C.2 of the Project for Jigawa State</td>
<td>7,395,000</td>
<td>100%</td>
</tr>
<tr>
<td>(6) Goods, Operating Costs, works, non-consulting services, Training and consultants' services under Parts A, B and C.2 of the Project for Yobe State</td>
<td>7,395,000</td>
<td>100%</td>
</tr>
<tr>
<td>(7) Goods, Operating Costs, Training and consultants' services under Part C.1 the Project</td>
<td>2,780,000</td>
<td>100%</td>
</tr>
<tr>
<td>(8) Unallocated</td>
<td>7,840,000</td>
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<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>54,990,000</strong></td>
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B. Withdrawal Conditions; Withdrawal Period

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

(a) for payments made prior to the date of this Agreement, except that withdrawals up to an aggregate amount not to exceed five million Euro (€5,000,000) equivalent may be made for payments for Eligible Expenditures made not more than twelve (12) calendar months prior to the date of this Agreement.

(b) under Categories (1) through (6) for payments to any Participating State unless and until: (i) the respective Participating State has entered into a Subsidiary Agreement with the Recipient; and (ii) the respective Participating State has adopted the PIM.

2. The Closing Date referred to in Section 3.06(c) of the Standard Conditions is March 31, 2017.
APPENDIX

Definitions

1. "Annual Work Plan" means each annual work plan and related budget for the Project approved by the World Bank in accordance with the provisions of Section I. F of Schedule 2 to this Agreement.


3. "Category" means a category set forth in the table in Section IV of Schedule 2 to this Agreement.


5. "Environment and Social Management Framework" or "ESMF" means the environment and social management framework prepared and adopted by the Recipient, dated June 2013 and disclosed on Infoshop on August 2, 2013, defining the set of mitigation, enhancement, monitoring, and institutional measures to be taken during implementation of the Project to eliminate any adverse environmental and social impacts, offset them, reduce them to acceptable levels, or to enhance positive impacts of the Project activities, including any schedules to such Framework.

6. "MDA" means any State ministry, department or agency involved in the execution of the Project within the concerned Participating State.

7. "National Planning Commission" or "NPC" means the commission established under the Recipient's National Planning Commission Act No. 71 of 1993 as amended to the date of this Agreement, for purposes of drawing up of national priorities and programs, and implementation strategies thereof, and any successor thereto.

8. "National Project Coordination Unit" or "NPCU" means the national project coordination unit established within NPC for the purposes of the Project.

9. "Participating State" means any of Anambra State, Cross River State, Jigawa State, Kano State, Osun State and Yobe State of the Recipient, which has entered into a Subsidiary Agreement with the Recipient for the purpose of carrying out its Respective Part of the Project under Parts A, B and C.2 of the Project.
"Operating Costs" means the reasonable costs of goods and services required for the day-to-day implementation of the Project including maintenance of vehicles and equipment, fuel, office supplies, utilities, consumables, office rental and maintenance, bank charges, advertising expenses, travel, per diems, accommodation, and salaries of selected support staff, but excluding salaries of consultants and salaries of officials of the Recipient’s and Participating States' civil service.

"Project Financial Management Unit" or "PFMU" means the project financial management unit established by each Participating State in its Office of the State Accountant General and further referred to in paragraph 4 of Section I.A of Schedule 2 to this Agreement.


"Procurement Plan" means the Recipient’s procurement plan for the Project, dated August 4, 2014, and referred to in paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.

"Project Implementation Manual" or "PIM" means the manual referred to in Section I.D.2 of Schedule 2 to this Agreement as the same may be amended from time to time with the prior written agreement of the Association.

"Respective Part of the Project" means, in respect of each Participating State, the activities approved for inclusion in the Project and to be carried out by it.

"State Project Coordination Unit" or "SPCU" means the state project coordination unit to be established by each Participating State pursuant to the provisions of Section I.A.3(iii) of Schedule 2 to this Agreement.

"Subsidiary Agreement" means each agreement referred to in Section I.B.1 of Schedule 2 to this Agreement pursuant to which the Recipient shall make a portion of the proceeds of the Grant available to a Participating State, as the same may be amended from time to time with the prior written consent of the World Bank, and such term includes all schedules to such Subsidiary Agreement.

"Training" means reasonable expenditures approved by the World Bank on the basis of budgets acceptable to the World Bank to finance the cost of training activities, workshops and seminars involving persons related to Project-supported activities, including, inter alia, expenses for rental of conference rooms, acquisition of materials and supplies, and other costs directly related to such training, workshop or seminar activities.