Honorables Boima Kamara
Minister of Finance and Development Planning
Ministry of Finance and Development Planning
P.O. Box 10-9013
Broad Street
Monrovia
Liberia

Re: Republic of Liberia – ERRTF Grant No. TF0A2772
Support to Building a Resilient Health System in Liberia Project
Letter Agreement

Excellency:

In response to the request for financial assistance made on behalf of the Republic of Liberia (“Recipient”), I am pleased to inform you that the International Development Association (“World Bank”), acting as administrator of grant funds provided by various donors (“Donors”) under the Ebola Recovery and Reconstruction Trust Fund, proposes to extend to the Recipient, a grant in an amount not to exceed four million nine hundred thousand United States Dollars (U.S.$4,900,000) (“Grant”) on the terms and conditions set forth or referred to in this letter agreement (“Agreement”), which includes the attached Annex, to assist in the financing of the project described in the Annex (“Project”).

This Grant is funded out of the abovementioned trust fund for which the World Bank receives periodic contributions from the Donors. In accordance with Section 3.02 of the Standard Conditions (as defined in the Annex to this Agreement), the World Bank’s payment obligations in connection with this Agreement are limited to the amount of funds made available to it by the Donors under the abovementioned trust fund, and the Recipient’s right to withdraw the Grant proceeds is subject to the availability of such funds.

The Recipient represents, by confirming its agreement below, that it is authorized to enter into this Agreement and to carry out the Project in accordance with the terms and conditions set forth or referred to in this Agreement.

Please confirm the Recipient’s agreement to the foregoing by having an authorized official of the Recipient sign and date the enclosed copy of this Agreement, and returning it to the
World Bank. Upon receipt by the World Bank of this countersigned copy, this Agreement shall become effective as of the date specified by the World Bank in accordance with Section 4.02 of the Annex to this Agreement.

Very truly yours,

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Henry G. R. Korah
Country Director for Liberia
Africa Region

AGREED:

REPUBLIC OF LIBERIA

By

Authorized Representative

Name Boima S. Kammara

Title Minister

Date: 8-15-16

Enclosures:


(2) Disbursement Letter of the same date as this Agreement, together with World Bank Disbursement Guidelines for Projects, dated May 1, 2006
1.01. **Standard Conditions.** The Standard Conditions for Grants Made by the World Bank out of Various Funds dated February 15, 2012 ("Standard Conditions") constitute an integral part of this Agreement.

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

   (a) “AMD” means the Recipient’s A.M. Dogliotti College of Medicine.

   (b) “Environmental and Social Management Framework” and “ESMF” mean the Recipient’s document for the management of the Project’s environmental and social impacts, dated March 31, 2016, as such Framework may be amended from time to time by the Recipient with prior written approval of the World Bank.

   (c) “Environmental Management Plan” means the Recipient’s document prepared and disclosed in accordance with the Environmental and Social Management Framework that details: (i) the measures to be taken during the implementation and operation of the Project to eliminate or offset adverse environmental impacts, or to reduce them to acceptable levels; and (ii) the actions needed to implement these measures as such Plan may be amended from time to time by the Recipient, with prior written approval of the World Bank.

   (d) “Health Care Waste Management Plan” means the Recipient’s plan for the management of medical waste under the Project, dated October 26, 2016, defining the set of mitigation, enhancement, monitoring and institutional measures to be taken during implementation of the Project to eliminate any adverse environmental impacts of medical waste, offset them, reduce them to acceptable levels, and including an annex on the World Health Organization’s guidelines on the handling of Ebola, as such Plan may be amended by the Recipient from time to time, with the prior written approval of the World Bank.

   (e) “MDSR” means the Recipient’s maternal and neonatal death surveillance and response system.

   (f) “MOFPD” or “Ministry of Finance and Development Planning” means the Recipient’s ministry responsible for finance and development planning.

   (g) “MoH” or “Ministry of Health” means the Recipient’s ministry responsible for health and social welfare, or any successor thereto.

   (h) “Operating Costs” means the reasonable costs directly related to the Project for the incremental expenses incurred by the Recipient on account of Project implementation, consisting of: vehicle operation and maintenance, communication and insurance costs,
banking charges, rental expenses, office (and office equipment) maintenance, utilities, document duplication/printing, consumables, travel cost and *per diem* for Project staff for travel linked to the implementation of the Project, and salaries of contractual staff for the Project (but excluding regular salaries of officials of the Recipient’s civil service).

(i) “PFMU” or “Project Financial Management Unit” means the unit established in the MOFDP, and referred to in Section 2.03. A. 3. of this Annex.

(j) “PIM” or “Project Implementation Manual” means the Recipient’s manual referred to in Section 2.03. B. of this Annex and providing details of arrangements and procedures for the implementation of the Project, including: (a) capacity building activities for sustained achievement of the Project’s objective; (b) procurement, financial management and disbursement arrangements; (c) institutional administration, coordination and day-to-day execution of Project activities; (d) monitoring, evaluation, reporting, information, education and communication arrangements of Project activities.

(k) “PIU” or “Project Implementation Unit” means the implementation unit established by the Recipient within the MoH, and referred to in Section 2.03. A. of this Annex.

(l) “Safeguard Documents” means, collectively, the Environmental and Social Management Framework, the Environmental Management Plan, and the Health Care Waste Management Plan.

(m) “Training” means the reasonable costs for the training and workshops included in the Project, including tuition, travel and subsistence costs for training and workshop participants, costs associated with securing the services of trainers and workshop speakers, rental of training and workshop facilities, preparation and reproduction of training and workshop materials, and other costs directly related to training course and workshop preparation and implementation (but excluding goods and consulting services).

**Article II**

**Project Execution**

2.01. *Project Objectives and Description.* The objective of the Project is to contribute to the improvement of maternal and neonatal health services through strengthening: (a) the learning environment at the medical school; and (b) health facility and community services in target health facilities. The Project consists of the following parts:

Part 1: Strengthening of AMD Learning Environment

(a) Renovating the existing dormitory, and constructing a new dormitory and dining hall within existing facilities at AMD to accommodate the current and estimated additional number of medical students to meet students’ basic living needs.

(b) Improving the basic infrastructure environment to provide running water and 24-hour electricity, and internet.

(c) Equipping AMD with two additional classrooms, a new lecture hall, and a skills lab, within existing AMD facilities.
Providing operational support for students, faculty, and management team.

Part 2: Support to Improve Reproductive, Maternal, and Neonatal Health Services Delivery

(a) Providing support to target health facilities for the provision of comprehensive maternal health care including Emergency Obstetric and Newborn Care (EmONC) services through: (i) the supervision and monitoring of maternal and newborn health services; and (ii) the procurement and distribution of essential equipment, lifesaving drugs, contraceptives, and medical supplies to selected referral centers, along with solar equipment to provide 24-hour electricity, transportation and communication equipment.

(b) (i) Identifying human resources gaps in health facilities to inform the recruitment and deployment of midwives to ensure the availability of skilled providers in those facilities 24 hours a day, seven days a week; and (ii) providing relevant training to skilled providers and instructional staff.

(c) Strengthening and expanding MDSR to district and community levels to provide reliable data on maternal deaths through: (i) the provision of technical and financial support to MDSR in line with international standards; (ii) the creation of awareness and sensitization of target communities on MDSR; and (iii) the development of an innovative approach to ensure timely identification and notification of maternal deaths at community and district levels.

(d) Strengthening health structures in 8 catchment communities to deliver and monitor maternal health services and MDSR through: (i) the provision of training and equipment to contact tracers for carrying out community-based outreach maternal health services and distributing family planning commodities; (ii) capacity building to Community Health Development Committees (CHDCs) in targeted catchment communities to monitor reproductive health services at community and health facility levels; and (iii) awareness-building and sensitization on maternal health services.

Part 3: Grant Management and Monitoring and Evaluation (M&E)

Provision of operational support to the PIU in carrying out the management, implementation, monitoring and evaluation as well as the fiduciary aspects of the Project.

2.02. Project Execution Generally. The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall carry out the Project in accordance with the provisions of: (a) Article II of the Standard Conditions; (b) the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006 and revised in January 2011 (“Anti-Corruption Guidelines”); and (c) this Article II.
2.03. Institutional and Other Arrangements

A. Project Implementation Unit and PFMU

1. The Recipient shall maintain, throughout the implementation of the Project, the Project Implementation Unit ("PIU") with staffing in number and with functions, resources, qualification and experience satisfactory to the World Bank.

2. Without limitation to the provisions of paragraph 1 of this Part A, the PIU shall be responsible for the overall coordination, implementation, management, and procurement under Parts 1 and 3 of the Project.

3. The Recipient shall maintain, throughout the implementation of the Project, the PFMU with staffing in number and with functions, resources, qualification and experience satisfactory to the World Bank and shall take all actions, including, the provision of funding, personnel and other resources necessary to enable the PFMU to perform said function.

4. Without limitation to the provisions of paragraph 3 of this Part A, the PFMU shall be responsible for the financial management aspects of the Project, and shall carry out its function in accordance with this Agreement and the PIM.

B. Project Implementation Manual

1. The Recipient shall ensure that the Project is carried out in accordance with the arrangements, procedures and guidelines set out in the Project Implementation Manual ("PIM").

2. In case of any conflict between the provisions of the Project Implementation Manual and the provisions of this Agreement, the provisions of this Agreement shall prevail, and except as the World Bank shall otherwise agree, the Recipient shall not amend, abrogate or waive any provision of the Project Implementation Manual.

C. Annual Work Plan and Budget

1. Each calendar year, the Recipient shall prepare a program of activities (including Training and Operating Costs) proposed for inclusion in the Project during the following calendar year, including: (a) a detailed timetable for the sequencing and implementation of such activities; and (b) a proposed budget and financing plan for such activities. The Recipient shall furnish such program of activities to the World Bank no later June 15 of each year, for its review and approval by the World Bank.

2. The Recipient shall exchange views with the World Bank on each such proposed annual work program, and shall thereafter carry out such program of activities during such following year as shall have been approved by the World Bank ("Annual Work Program").

3. Only those activities which are included in an Annual Work Program shall be included in the Project and eligible for financing out of the proceeds of the Grant.
4. The Recipient shall ensure that in preparing any training or workshops proposed for inclusion in the Project under an Annual Work Program it shall include in the proposed Annual Work Program: (a) the objective and content of the training or workshop envisaged; (b) the selection method of the institutions or individuals conducting such training or workshop, and said institutions if already known; (c) the expected duration and an estimate of the cost of said training or workshops; and (d) the selection method of the personnel who will attend the training or the workshop, and said personnel if already known.

5. Annual Work Programs may be revised as needed during Project implementation subject to the World Bank’s prior approval.

D. Safeguards

1. The Recipient shall ensure that the Project is carried out in accordance with the guidelines, procedures, timetables and other specifications set forth in the Safeguard Documents.

2. Except as the World Bank shall otherwise agree in writing and subject to compliance with applicable consultation and public disclosure requirements of the World Bank, the Recipient shall not abrogate, amend, repeal, suspend or waive any provisions of any of the Safeguard Documents.

3. Without limitation upon the other reporting obligations under this Agreement, the Recipient shall regularly collect and compile on a semi-annual basis, and submit to the World Bank as part of the Project Report, reports on the status of compliance with the Safeguard Documents, giving details of: (a) measures taken in furtherance of the Safeguard Documents; (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of the Safeguard Documents; and (c) remedial measures taken or required to be taken to address such conditions.

4. In the event that any provision of the Safeguard Documents shall conflict with any provision under this Agreement, the terms of this Agreement shall prevail.

2.04. Donor Visibility and Visit. (a) The Recipient shall take or cause to be taken all such measures as the World Bank may reasonably request to identify publicly the Donor’s support for the Project.

(b) For the purposes of Section 2.09 of the Standard Conditions, the Recipient shall, upon the World Bank’s request, take all measures required on its part to enable the representatives of the Donors to visit any part of the Recipient’s territory for purposes related to the Project.

2.05. Documents; Records.

In addition and without limitation to the obligations set forth in Section 2.05 of the Standard Conditions, the Recipient shall ensure that:

(a) all records evidencing expenditures under the Project are retained for seven years and six months after the Closing Date, such records to include: (i) this Agreement, all addenda thereof, and any amendments thereto; (ii) the Recipient’s financial and narrative progress reports
submitted to the World Bank; (iii) the Recipient’s financial information related to the Grant, including audit reports, invoices and payroll records; (iv) the Recipient’s implementation documentation (including sub-agreements, procurement files, contracts, purchase orders); and (v) the corresponding supporting evidence referred to in Section 3.04 of the Standard Conditions; and

(b) the representatives of the World Bank are: (i) able to examine all records referred to above in paragraph (a); (ii) provided all such information concerning such records as they may from time to time reasonably request; and (iii) able to disclose such records and information to the Donor.

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

(b) The Recipient shall prepare the Completion Report in accordance with the provisions of Section 2.06 of the Standard Conditions. The Completion Report shall be furnished to the World Bank not later than six months after the Closing Date. In order to assist the Recipient in preparing the Completion Report, the Recipient shall employ consultants whose qualifications, experience and terms of reference are acceptable to the World Bank in accordance with the provisions of Section 2.08 of this Agreement.

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

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

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

(d) The Recipient shall, by not later than four (4) months after the date of this Agreement, hire an external auditor with terms of reference and qualifications satisfactory to the World Bank.

2.08. Procurement

(a) General. 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:

(ii) Sections I and IV of the “Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011 (revised July 2014) (“Consultant Guidelines”) in the case of consultants’ services; and

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

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

(c) Particular Methods of Procurement of Goods, Works and Non-consulting Services

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

(ii) The following methods, other than International Competitive Bidding, may be used for procurement of goods, works and non-consulting services for those contracts which are specified in the Procurement Plan: (A) Shopping; (B) Direct Contracting; (C) Procurement from UN Agency; and (D) National Competitive Bidding, subject to the following additional provisions:

1) foreign bidders shall be allowed to participate in National Competitive Bidding procedures;
2) bidders shall be given at least one month to submit bids from the date of the invitation to bid or the date of availability of bidding documents, whichever is later;
3) no domestic preference shall be given for domestic bidders and for domestically manufactured goods;
4) in accordance with paragraph 1.16; and
5) of the Procurement Guidelines, each bidding document and contract financed out of the proceeds of the credit shall provide that: (i) the bidders, suppliers, contractors and subcontractors shall permit the World Bank, at its request, to inspect their accounts and records relating to the bid submission and performance of the contract, and to have said accounts and records audited by auditors appointed by the World Bank; and (ii) the deliberate and material violation by the bidder, supplier, contractor or subcontractor of such provision may amount to an obstructive practice as defined in paragraph 1.16(a)(v) of the Procurement Guidelines.
(d) Particular Methods of Procurement of Consultants’ Services

(i) Except as otherwise provided in item (ii) below, consultants’ services shall be procured under contracts awarded on the basis of Quality- and Cost-based Selection.

(ii) The following methods, other than Quality- and Cost-based Selection, may be used for the procurement of consultants’ services for those assignments which are specified in the Procurement Plan: (A) Least Cost Selection; (B) Single-source Selection of consulting firms; (C) Selection of UN Agency; (D) Selection of Individual Consultants; and (E) Single-source procedures for the Selection of Individual Consultants.

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

(f) Document Retention. Notwithstanding the provisions of paragraphs 2(j) and 5 of Appendix 1 to the Procurement Guidelines, and paragraphs 2(k) and 5 of Appendix 1 to the Consultant Guidelines, the Recipient: (i) shall retain all documentation with respect to each contract as described in said paragraphs for at least seven years and six months after the Closing Date set forth in Section 3.03 of this Agreement; (ii) shall furnish such documentation to the World Bank at any time upon request; and (iii) hereby authorizes the World Bank to disclose such documentation to the Donor.

Article III
Withdrawal of Grant Proceeds

3.01. Eligible Expenditures. The Recipient may withdraw the proceeds of the Grant in accordance with the provisions of: (a) the Standard Conditions; (b) this Section; and (c) such additional instructions as the World Bank may specify by notice to the Recipient (including the “World Bank Disbursement Guidelines for Projects” dated May 2006, as revised from time to time by the World Bank and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the following table. The table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Grant (“Category”), the allocations of the amounts of the Grant to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Grant Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goods, works, non-consulting services and consultants’ services Training and Workshops under the Project</td>
<td>4,900,000</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>4,900,000</td>
<td></td>
</tr>
</tbody>
</table>
3.02. **Withdrawal Conditions.** Notwithstanding the provisions of Section 3.01 of this Agreement, no withdrawal shall be made for payments made prior to the date of this Agreement for payments made prior to the date of this Agreement, except that withdrawals up to an aggregate amount not to exceed $980,000 may be made for payments made prior to this date but on or after April 1, 2016, for Eligible Expenditures.

3.03. **Withdrawal Period.** The Closing Date referred to in Section 3.06 (c) of the Standard Conditions is June 29, 2018.

### Article IV

**Effectiveness; Termination**

4.01. This Agreement shall not become effective until evidence satisfactory to the World Bank has been furnished to the World Bank that the conditions specified below has been satisfied:

The Project Implementation Manual referred to in Section 2.03 B of this Annex has been adopted by the Recipient.

4.02. Except as the Recipient and the World Bank shall otherwise agree, this Agreement shall enter into effect on the date upon which the World Bank dispatches to the Recipient notice of its acceptance of the evidence required pursuant to Section 4.01 ("Effective Date"). If, before the Effective Date, any event has occurred which would have entitled the World Bank to suspend the right of the Recipient to make withdrawals from the Grant Account if this Agreement had been effective, the World Bank may postpone the dispatch of the notice referred to in this Section until such event (or events) has (or have) ceased to exist.

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

### Article V

**Recipient’s Representative; Addresses**

5.01. **Recipient’s Representative.** The Recipient’s Representative referred to in Section 7.02 of the Standard Conditions is its Minister responsible for finance.

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

Ministry of Finance and Development Planning  
P.O. Box 10-9013  
Broad Street  
Monrovia  
Liberia  
Email: bkamara@mfdp.gov.lr
5.03. *World Bank's Address.* The World Bank's Address referred to in Section 7.01 of the Standard Conditions is:

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

Telex:  
248423 (MCI) or 64145 (MCI)  

Facsimile:  
1-202-477-6391