Global Financing Facility

Grant Agreement

(Accelerating Nutrition Results in Nigeria Project)

between

FEDERAL REPUBLIC OF NIGERIA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

(acting as an Implementing Agency of the Multi-Donor Trust Fund for the Global Financing Facility in Support of Every Woman Every Child)
GLOBAL FINANCING FACILITY
GRANT AGREEMENT

AGREEMENT dated as of the Signature Date entered into between the FEDERAL REPUBLIC OF NIGERIA ("Recipient") and the INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association"), acting as an implementing agency of the Multi-Donor Trust Fund for the Global Financing Facility in Support of Every Woman Every Child ("GFF").

(A) WHEREAS, by a financing agreement to be entered into between the Recipient and the Association ("Financing Agreement"), as further defined in the Appendix to this Agreement, the Association intends to extend to the Recipient a credit in an amount equivalent to one hundred fifty-six million five hundred thousand Special Drawing Rights (SDR 156,500,000), to assist the Recipient in co-financing part of the cost of activities related to the Project on the terms and conditions set forth in the Financing Agreement; and

(B) WHEREAS, the Association has also agreed, on the basis, inter alia, of the foregoing, to extend the grant provided for in Article III of this Agreement to the Recipient upon the terms and conditions set forth in this Agreement;

NOW THEREFORE, the Recipient and the Association hereby agree as follows:

Article I
Standard Conditions; Definitions

1.01 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 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: (a) cause Part 1 of Project to be carried out by the Participating States within their respective jurisdictions, (b) carry out Part 2(i), (iii), (iv) and (v) of the Project through FMOH; and (c) carry out Part 2(ii) of the Project through MOBNP, all in
accordance with the provisions of Article II of the Standard Conditions and Schedule 2 to this Agreement.

Article III
The GFF Grant

3.01. The Association agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a grant in an amount not to exceed seven million United States Dollars ($7,000,000) ("GFF Grant") to assist in co-financing of Part 1(I), (II) and (III) and Part 2(i), (iii), (iv) and (v) of the Project.

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

3.03. The GFF Grant is funded out of the abovementioned trust fund for which the Association receives periodic contributions from the donors to the trust fund. In accordance with Section 3.02 of the Standard Conditions, the Association'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 GFF Grant proceeds is subject to the availability of such funds.

Article IV
Effectiveness; Termination

4.01. The Condition of Effectiveness is that all conditions for the effectiveness of the Financing Agreement, except for the effectiveness of this GFF Grant Agreement, have been met.

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

4.03. For purposes of Section 8.05(b) of the Standard 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 date of this Agreement.

Article V
Recipient's Representative; Addresses

5.01. The Recipient's Representative is its federal minister at the time responsible for Finance.
5.02. For the purpose of Section 7.02 of the Standard Conditions:

(a) the Recipient’s address is:

Federal Ministry of Finance
Ahmadu Bello Way
Central Business District
Abuja, Nigeria

Facsimile: 234 9 6273609

5.03. For the purpose of Section 7.01 Standard Conditions:

(a) the Association’s address referred is:

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

Telex: Facsimile:

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

FEDERAL REPUBLIC OF NIGERIA

By: Zainab Ahmed
Name: Zainab Ahmed
Title: Minister of Finance
Date: February 12, 2019

INTERNATIONAL DEVELOPMENT ASSOCIATION
(acting as an Implementing Agency of the Multi-Donor Trust Fund for the Global Financing Facility in Support of Every Woman Every Child)

By: Rachid Benmessaoud
Name: Rachid Benmessaoud
Title: Country Director
Date: February 12, 2019
SCHEDULE 1

Project Description

The objective of the Project is to increase utilization of quality, cost-effective nutrition services for pregnant and lactating women, adolescent girls and children under two years of age in select areas of the Recipient's territory.

The Project consists of the following parts:

Part 1: Basic Package of Nutrition Services

Scaling up of a Basic Package of Nutrition Services in the Participating States with a focus on reaching pregnant and lactating women, adolescent girls and children under two years of age, including, *inter alia*:

I. (a) Procuring services through performance based contracts with non-state entities to deliver Basic Package of Nutrition Services; and (b) delivery of such Basic Package of Nutrition Services in Participating States through said performance based contracts.

II. Delivery of services to treat severe acute malnutrition in children 6-59 months in a sub-set of Participating States.

III. (a) Procuring services through performance based contracts with non-state entities to deliver a focused package of adolescent health and nutrition services in one Participating State; and (b) delivery of said services through performance-based contracts with non-state entities in said Participating State.

IV. Delivery of nutrition sensitive ante-natal packages to pregnant women at primary health care facilities of SPHCDA with technical assistance of NPHCDA.

V. Supporting the coordination with other development partners for harmonized nutrition specific interventions in the Participating States.

Part 2: Stewardship and Project Management

Strengthening key stewardship functions at the federal and state levels for the sustained delivery of nutrition services, including, *inter alia*:

(i) Supporting communication for social and behavior change for nutrition, through performance-based contracts with religious leaders and a national mass media campaign deployed through FMOH.

(ii) Supporting multi-sectoral coordination for accountability of delivering nutrition results with key sectors through the measures, including, *inter
alia, developing a process for multi-sectoral coordination and planning, and an annual report on state of malnutrition in Nigeria.

(iii) Developing and institutionalizing a knowledge management and learning platform at FMOH in collaboration with technical non-state and state partners.

(iv) Supporting a research program for generating technical and operational evidence for strengthening Recipient’s national nutrition program.

(v) Supporting a national nutrition information system for improved planning, monitoring and reporting of service delivery and outcomes.
SCHEDULE 2

Project Execution

Section I. Institutional Arrangements at the Federal Level

Steering Committee

1. The Recipient, through FMOH, shall ensure that throughout the implementation of the Project, the steering committee at the federal level is maintained with functions, composition and resources satisfactory to the Association (“Steering Committee”).

Federal Ministry of Health

2. The Recipient shall ensure that FMOH establish and maintain, throughout the implementation of the Project, a Project implementation structure tasked with implementing its functions under the Project, with functions, status, staffing and resources satisfactory to the Association and as detailed in the PIM.

3. Without limitation to the provisions of paragraph 2 of this Section I, the Recipient shall ensure that FMOH, prior to commencing any Project activities, establish a Project management unit (“Project Management Unit”), with terms of reference, resources, and staffing in adequate numbers to be responsible for the overall coordination, monitoring and evaluation of the Project.

Federal Ministry of Budget and National Planning

4. The Recipient, through MOBNP, shall maintain throughout the implementation of the Project, staffing and resources satisfactory to the Association for the implementation of MOBNP’s functions under the Project.

5. Without limitation to the provisions of paragraph 4 of this Section I, MOBNP shall be responsible for, inter alia, leading multi-sectoral coordination and accountability for nutrition results with key sectors.

National Primary Health Care Development Agency

6. The Recipient, through FMOH, shall ensure that NPHCDA shall maintain, throughout the implementation of the Project, a structure tasked with implementing its functions under the Project, with functions, staffing and resources satisfactory to the Association.

7. Without limitation to the provisions of paragraph 6 of this Section I, NPHCDA shall be responsible for, inter alia, providing technical assistance in the
Participating States for delivery of nutrition sensitive antenatal package to pregnant women at primary health care facilities of SPHCDA.

Institutional Arrangements at State Level

State Ministry of Health

8. The Recipient, through FMOH, shall ensure that each Participating State shall establish, prior to commencing any Project activities in said state and maintain, throughout the implementation of the Project, a Project implementation structure with functions, composition, resources and staffing satisfactory to the Association.

State Primary Health Care Development Agency (SPHCDA)

9. The Recipient, through FMOH, shall ensure that each of the Participating States shall through its SPHCDA oversee delivery of interventions to increase the nutrition-sensitivity of the ante-natal visit through the state primary health care facilities.

B. Subsidiary Agreement

1. To facilitate the carrying out of Part I of the Project, the Recipient, through FMOF, shall make a portion of the proceeds of the GFF Grant available to each Participating State under a Subsidiary Agreement entered into between the Recipient and the Participating State, under terms and conditions acceptable to the Association.

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

C. Financing under Part I of the Project based on Performance-based Contracts

For the purpose of the implementation of Part I(I) and (III) of the Project, the Recipient, through the FMOH and the Participating States, shall procure the services to deliver nutrition and health services packages following the Association’s Procurement Regulations. The contracts shall specify, among other provisions, the performance targets, the payment conditions, and the verification procedures for determining the achievement of said performance targets.
D. Safeguards

The Recipient shall through the FMOH cause the Participating States to carry out the Project activities in their respective states in accordance with the Healthcare Waste Management Plan.

E. Project Implementation Manual

1. The Recipient, through FMOH, shall prepare and adopt a Project implementation manual in form and substance satisfactory to the Association, containing inter alia detailed arrangements and procedures for: (a) institutional coordination and day-to-day execution of the Project; (b) Project disbursement and financial management; (c) procurement; (d) environmental and social safeguards management; (e) monitoring, evaluation, reporting and communication; and (f) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the Project.

2. 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 Association.

F. Annual Work Plans and Budgets

(a) The Recipient shall, through FMOH, prepare, and thereafter furnish to the Association not later than November 15 of each year during the implementation of the Project (or such later date as the Association may agree) for the Association’s approval, annual work plans and budgets containing all eligible Project activities and expenditures at the federal and each Participating State levels proposed to be included in the Project, except for those Parts/sub-parts of the Projects which are DLI Financed, for the following Fiscal Year, including:

(i) safeguards measures taken or planned to be taken in accordance with the provisions of Section I.D of this Schedule; and

(ii) any other activities and expenditures required for the efficient implementation of the Project in accordance with this Agreement.

(b) The Recipient, through FMOH, shall afford the Association a reasonable opportunity to review such draft annual work plans and budgets, and thereafter shall ensure that the Project is implemented in accordance with...
the Annual Work Plans and Budgets approved by the Association for the respective Fiscal Year, provided, however, that in case of any conflict between the Annual Work Plans and Budgets and the provisions of this Agreement, the provisions of this Agreement shall prevail.

(c) The Recipient, through FMOH, shall not make or allow to be made any change to the Annual Work Plans and Budgets without prior approval in writing by the Association.

(d) The Recipient, through FMOH, shall and shall cause each Participating State to implement, monitor and evaluate its Annual Work Plan and Budget in accordance with the provisions set forth in this Agreement and in more detail in the PIM and the respective Subsidiary Agreements pursuant to the provisions of Section 1.B of this Schedule 2.

G. Donor Visibility and Visit

1. The Recipient shall take or cause to be taken all such measures as the Association may reasonably request to identify publicly the Donors' support for the Project.

2. For the purposes of Section 2.09 of the Standard Conditions, the Recipient shall, upon the Association'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.

H. Anti-Corruption

The Recipient shall ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.

Section II Project Monitoring, Reporting and Evaluation

A. Project Reports; Completion Report

1. The Recipient shall, through the FMOH, 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 Association. The Recipient shall furnish to the Association each Project Report bi-annually before each bi-annual support mission for the Project and in any event within 1 month after the end of each calendar semester, covering the half year semester.

2. The Recipient, through the FMOH, 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 Association 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, through the FMOH, prepare and furnish to the Association interim unaudited financial reports for the Project, not later than one month after the end of each calendar quarter, covering the quarter, in form and substance satisfactory to the Association.

3. The Recipient shall, through the FMOH, have its Financial Statements for the Project audited in accordance with the provisions of Section 2.07(b) of the Standard Conditions. Each 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 Association not later than six (6) months after the end of such period.

Section III. Procurement

All goods, works, non-consulting services and consulting services required for the Project and to be financed out of the proceeds of the GFF Grant shall be procured in accordance with the requirements set forth or referred to in the “World Bank Procurement Regulations for IPF Borrowers” dated July 2016, revised November 2017 (“Procurement Regulations”), and the provisions of the Recipient’s procurement plan for the Project (“Procurement Plan”) dated May 11, 2018, provided for under Section IV of the Procurement Regulations, as the same may be updated from time to time in agreement with the World Bank.

Section IV. Withdrawal of the Proceeds of the Grant

A. General

1. The Recipient may withdraw the proceeds of the GFF 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 “Disbursement Guidelines for Investment Project Financing” dated February 2017, 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 GFF Grant (“Category”), the allocations of the amounts of the GFF 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 GFF Grant Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be Financed by GFF Grant (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, non-consulting services, consulting services, Operational Costs and Training under Part 1(I)(b), (II) and (III)(b) and Part 2 (i), (iii), (iv) and (v) of the Project.</td>
<td>7,000,000</td>
<td>3%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>7,000,000</td>
<td></td>
</tr>
</tbody>
</table>

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A above, no withdrawal shall be made for payments made prior to the Signature Date, except that withdrawals up to an aggregate amount not to exceed USD 1,400,000 may be made for payments made prior to this date but on or after a year before the Signature Date, for Eligible Expenditures under Category (1).

2. The Closing Date is December 31, 2023.
APPENDIX

Definitions

1. "Annual Work Plan and Budget" or "AWPB" means each annual work plan, together with the related budget, for the Project approved by the Association pursuant to the provisions of Section I.F of Schedule 2 to this Agreement.

2. "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.

3. "Basic Package of Nutrition Services" means a package of the nutrition services provided at the community level, as further detailed in the PIM.

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

5. "Credit" means the credit provided by the Association to the Recipient under the Financing Agreement.

6. "Financing Agreement" means the financing agreement between the Recipient and the Association ("Financing Agreement") for a credit to the Recipient in an amount equivalent to one hundred fifty-six million five hundred thousand Special Drawing Rights (SDR 156,500,000), to support activities under the Project.

7. "Fiscal Year" means the Recipient’s fiscal year starting January 1 and ending on December 31 in each year.

8. "FMOF" means the Federal Ministry of Finance; or any successor thereto.

9. "FMOH" means the Federal Ministry of Health, or any successor thereto.


11. "GFF Grant" means the grant provided according to this agreement, as set out in Section 1 of Article III of this GFF Grant Agreement.

12. "Healthcare Waste Management Plan" or "HWMP" means the plan prepared by the Recipient dated March 28, 2018, setting out the healthcare waste management measures for the Project; as said plan may be updated from time to time with the prior agreement of the Association.
13. "MOBNP" means the Ministry of Budget and National Planning, or any successor thereto.

14. "NPHCDA" means the National Primary Health Care Development Agency; or any successor thereto.

15. "Operational Costs" means the incremental expenses incurred by the Recipient and the Participating States, based on amounts and budgets approved by the Association, on account of Project implementation, management, and monitoring, including office space rental and utilities, office supplies and equipment, bank charges, communications, vehicle operation, maintenance, insurance cost, building and equipment maintenance, travel, supervision, advertising, and salaries of staff and consultants, but excluding salaries of civil servants of the Recipient and the Participating States.

16. "Participating States" means Abia, Akwa Ibom, Gombe, Kaduna, Kano, Katsina, Kogi, Kwara, Nasarawa, Niger, Oyo and Plateau, and any other states that may be selected to participate in the Project according to the criteria agreed to between the Recipient and the Association.


19. "Project Management Unit" means a project management unit within FMOH as further described in Section IA.3 of Schedule 2.

20. "PIM" means the Project implementation manual to be adopted by the Recipient pursuant to the provisions in Section I.E of Schedule 2, and as revised from time to time with the prior written approval of the Association.

21. "Signature Date" means the later of the two dates on which the Recipient and the Association signed this Agreement.

22. "SPHCDA" means State Primary Health Care Development Agency; or any successor thereto.


24. "Subsidiary Agreement" means an agreement entered into or to be entered into between the Recipient and a Participating State for the purpose of carrying out Project activities in the respective state, as such agreement may be revised from
time to time with the prior agreement of the Association; and the term “Subsidiary Agreements” means the plural thereof.

25. “Training” means the costs of training under the Project, based on the Annual Work Plans and Budgets referred to in Section 1.F of Schedule 2 to this Agreement as approved by the Association, and attributable to seminars, workshops, and study tours, along with travel and subsistence allowances for training participants, services of trainers, rental of training facilities, preparation and reproduction of training materials, and other activities directly related to course preparation and implementation.