Agreement Providing for the Amendment and Restatement of the Financing Agreement

(National Health Sector Strategic Plan Support Project)

between

DEMOCRATIC REPUBLIC OF TIMOR-LESTE

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated 25. April - 2013
AGREEMENT PROVIDING FOR
THE AMENDMENT AND RESTATEMENT OF THE FINANCING AGREEMENT

AGREEMENT, dated 25th April, 2013, between
DEMOCRATIC REPUBLIC OF TIMOR-LESTE (the “Recipient”) and
INTERNATIONAL DEVELOPMENT ASSOCIATION (the “Association”).

WHEREAS, the Recipient and the Association have agreed to amend the
Financing Agreement between the Recipient and the Association dated April 16, 2008
(hereinafter called the “Financing Agreement”) in the manner hereinafter set forth.

WHEREAS, the Recipient has received additional Co-financing through the
Multi-Donor Trust Fund, administered by the Association on behalf of a number of
donors, for the purpose of financing a number of health related activities carried out in
the context of the Recipient’s National Health Sector Strategic Plan.

NOW THEREFORE the parties hereto agree as follows:

ARTICLE

Section 1.01. The Financing Agreement is hereby amended and restated so as to
read as set forth in the Annex hereto. The terms used herein have the meanings defined
therefore in the Annex hereto.

Section 1.02. This Agreement shall become effective upon its countersignature
and on the date the Association notifies the Recipient of receipt by the Association of the
revised Project Operations Manual, the amended Co-financing Agreement and evidence
that the four key staff in MoH (as per Section I A.2 (c) of Schedule 2 to this amended
Agreement) as well as the Project Management Team have been successfully recruited
and the Project Steering Committee has been established, all in form and substance
satisfactory to the Association.

IN WITNESS WHEREOF, the parties hereto, acting through their duly
authorized representatives, have caused this Agreement to be signed in their respective
names in _________________________, as of the day
and year first above written.

DEMOCRATIC REPUBLIC OF TIMOR-LESTE

By _________________________
SANTINA J.P. VIEGAS CAEREO
Vice Minister of Finance

INTERNATIONAL DEVELOPMENT ASSOCIATION

By _________________________
Frank R. Deos Gross
Authorized Representative
ANNEX

To Agreement Providing for the Amendment and Restatement of the Financing Agreement

GRANT NUMBER H3430-TP

Amended and Restated Financing Agreement

(National Health Sector Strategic Plan Support Project)

between

DEMOCRATIC REPUBLIC OF TIMOR-LESTE

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated April 16, 2008
As amended and restated on 25 - April - , 2013
GRANT NUMBER H3430-TP

FINANCING AGREEMENT

AGREEMENT dated April 16, 2008, as amended and restated, entered into between DEMOCRATIC REPUBLIC OF TIMOR-LESTE ("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) 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 General Conditions or in the Appendix to this Agreement.

ARTICLE II – FINANCING

2.01. 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 equivalent to six hundred forty thousand Special Drawing Rights (SDR 640,000) ("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 IV of Schedule 2 to this Agreement.

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

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

2.05. The Payment Currency is United States Dollars.

ARTICLE III – PROJECT

3.01. The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall carry out the Project through the MOH in accordance with the provisions of Article IV of the General Conditions.

3.02. Without limitation upon the provisions of Section 3.01 of this Agreement, and except as the Recipient and the Association 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 IV – EFFECTIVENESS; TERMINATION

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

(a) The Recipient has adopted a Project Operations Manual, in form and substance acceptable to the Association, which will be revised to reflect the restructured Project.

(b) The Multi-Donor Trust Fund Grant Agreement has been executed and delivered, and all conditions precedent to its effectiveness or to the right of the Recipient to make withdrawals under it (other than the effectiveness of the Financing Agreement) have been fulfilled.

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 General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty (20) years after the date of this Agreement.

ARTICLE V – REPRESENTATIVE; ADDRESSES

5.01. The Recipient’s Representative is the Minister of Finance.

5.02. The Recipient’s Address is:

Ministry of Finance
Palácio do Governo
Edifício 5, 1. Andar
Dili, Democratic Republic of Timor-Leste

Facsimile:

+670-332-13-39
5.03. The Association's Address is:

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

Cable: INDEVAS
Telex: 248423 (MCI)
Facsimile: 1-202-477-6391
Washington, D.C.

AGREEED at 25 APRIL 2013, as of the day and year first above written.

DEMOCRATIC REPUBLIC OF TIMOR-LESTE

Authorized Representative

SANTIRIA J.R.F. VIEGAS CARDOZO
Vice-Minister of Finance

INTERNATIONAL DEVELOPMENT ASSOCIATION

Authorized Representative

FRANCIS R. DOLES-GRoss
SCHEDULE 1

Project Description

The objective of the Project is to support the Recipient to get more resources to where they are needed most to improve the delivery of health services in districts and sub-districts, through the Recipient's linked sector plan, budget, and monitoring and evaluation approach, and the development of stronger financial management and procurement systems, capacity, and partnerships.

The Project consists of the following components:

**Component 1: Improving Public Financial Management and Fund Flows for Health Service Delivery**

Support the Recipient to assist central and district health teams to use the resources available to them more efficiently, equitably and effectively by: (a) strengthening MoH's central and district planning and budgeting in line with the Recipient's "One Plan, One Budget, One Sector Monitoring and Evaluation Framework" concept through the preparation of annual activity plans and budgets that are focused on improved health service delivery; (b) advocating for an increased overall health budget allocation that has adequate provision for recurrent costs for essential health service delivery across the country; and (c) increasing flexible and innovative financing, such as grants to districts, for district service delivery.

**Component 2: Strengthening Pharmaceutical and Medical Supplies Management**

Support the Recipient in ensuring adequate essential pharmaceuticals and supply availability to improve health service delivery by: (a) strengthening the clinical and logistics management capacity of the health sector; (b) strengthening regulatory capacity of the health sector; and (c) improving quality control.

**Component 3: Improving Evidence-Informed Decision Making and Health Sector Coordination**

Support the Recipient to build the capacity of central and district health teams to make evidence-informed decisions and coordinate the health sector by: (a) developing and using an agreed sector monitoring and evaluation framework to assess performance across the health sector; (b) institutionalizing health sector coordination group meetings and joint annual sector (planning and performance) reviews; and (c) strengthening the capacity to plan, conduct, approve, oversee and disseminate research in the health sector.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements.

1. The Recipient shall:

   (a) carry out the Project in accordance with the Project Operations Manual that is revised to reflect the restructured Project; and

   (b) not amend, abrogate, suspend, or waive any provision of said Project Operations Manual without the prior concurrence of the Project Steering Committee and the Association.

2. The Recipient shall:

   (a) establish and thereafter maintain, within MoH, a Project Steering Committee with representation from relevant heads of technical and administrative departments in MoH and MoF and the Co-financiers under the Multi-Donor Trust Fund (as further detailed in the Project Operations Manual), to provide oversight for the Project implementation. Said committee shall convene on a regular basis during Project implementation.

   (b) maintain, throughout the period of implementation a Project Management Team in a department in MoH in charge of partnership management to be responsible, inter alia, for: (i) providing overall coordination of Project activities, including financial management, and procurement; (ii) coordinating among relevant departments within MoH and with other central line agencies; and (iii) monitoring and evaluating the implementation of the Project; said Project Management Team to be provided with adequate resources, under the direction of a qualified manager and staffed with competent personnel in sufficient numbers (as further detailed in the Project Operations Manual); and

   (c) maintain or appoint (as the case may be) no later than February 28, 2013 and thereafter maintain until the completion of the Project, four key staff positions within MoH: (i) a qualified financial management and budget specialist, (ii) a qualified procurement specialist, (iii) a qualified Project accountant, and (iv) a partnership management Specialist; all will have terms of reference and a demonstrated competence satisfactory to the Association.

3. The Recipient shall: (a) no later than 30th November of each year, prepare a draft annual activity plan and combined sources of budgets for the health sector in line with its
planning and budgeting procedures and calendar, which shall include proposed allocations for the government budget and donor resources; and (b) furnish to the Project Steering Committee and the Association, the NHSSP-SP allocation, for approval.

B. Grants to Districts for District Subprojects

1. The Recipient shall make Grants available for Districts to carry out District Subprojects under Component 1(c) of the Project in accordance with eligibility criteria and procedures acceptable to the Association, as further detailed in the Project Operations Manual.

2. The Recipient shall make each Grant under an Arrangement with the respective District on terms and conditions approved by the Association, which shall include the following:

   (a) The Grant will be extended on a grant basis to the District.

   (b) 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 District to use the proceeds of the Grant, or obtain a refund of all or any part of the amount of the Grant then withdrawn, upon the District’s failure to perform any of its obligations under Arrangement; and (ii) require each District to: (A) carry out its District Subproject with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, environmental and social standards and practices satisfactory to the Association, including in accordance with the provisions of the Environmental and Social Management Framework and 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 Grant in accordance with the provisions of this Agreement; (D) maintain procedures adequate to enable it to monitor and evaluate in accordance with indicators acceptable to the Association, the progress of the District Subproject and the achievement of its objectives; (E) (1) 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 the District Subproject; and (2) at the Association’s or the Recipient’s request, have such financial statements audited 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 Association; (F) enable the Recipient and the Association to inspect the District Subproject, its operation and any relevant records and documents; and (G) prepare and furnish to the Recipient and the Association all such information as the Recipient or the Association shall reasonably request relating to the foregoing.
3. The Recipient shall exercise its rights under each Arrangement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive any Arrangement 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 Anti-Corruption Guidelines.

D. Safeguards

1. For all civil work activities, the Recipient shall, through MoH:

   (a) implement, and cause to implement, the Guidelines on Maintenance, Handling and Disposal of Asbestos Materials and Asbestos Waste; and

   (b) maintain, and cause to be maintained, policies and procedures adequate to enable it to monitor and evaluate, in accordance with guidelines acceptable to the Association, the implementation of said Guidelines.

2. The Recipient shall, through MoH:

   (a) ensure that each referral hospital and health district have at least one (1) functioning gasifier for managing health care wastes by December 31, 2008; and

   (b) ensure that the health facilities without a gasifier bring their hazardous wastes to the nearest community health center for treatment prior to disposal.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

1. The Recipient shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 5.08 of the General Conditions and on the basis of the indicators set forth in the revised Project Operations Manual. Each Project Report shall cover the period of one (1) calendar quarter, and shall be furnished to the Project Steering Committee and the Association not later than forty five (45) days after the end of the period covered by such report. To facilitate coordination, the Recipient may prepare a single Program Report on the health sector, including other donor-financed programs, which will fulfill this requirement for a Project Report as long as required information on Project execution and performance indicators are included.
B. Financial Management, Financial Reports and Audits

1. The Recipient shall maintain or cause to be maintained a Financial Management System in accordance with the provisions of Section 5.09 of the General Conditions.

2. Without limitation on the provisions of Part A of this Section, the Recipient shall prepare and furnish to the Association, not later than forty five (45) days after the end of each calendar quarter, interim unaudited financial reports for the Project covering the quarter, in form and substance satisfactory to the Association.

3. The Recipient shall have its Project Financial Statements audited in accordance with the provisions of Section 5.09(b) of the General Conditions. Each audit of the Project Financial Statements shall cover the period of one (1) fiscal year of the Recipient. The audited Project Financial Statements for each such period shall be furnished to the Association not later than six (6) months after the end of such period.

4. When using MoH’s imprest system for District Subprojects the Recipient shall have its MoH Financial Statements audited in accordance with the provisions of Section 5.09(b) of the General Conditions. Each audit of the MoH Financial Statements shall cover the period of one (1) fiscal year of the Recipient. The audited MoH Financial Statements for each such period shall be furnished to the Association not later than nine (9) months after the end of such period.

Section III. Procurement

A. General

1. Goods and Works. All goods and works required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Section I of the Procurement Guidelines, and with the provisions of this Section.

2. Consultants’ Services. All consultants’ services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Sections I and IV of the Consultant Guidelines, and with the provisions of this Section.

3. In the case of contracts financed or to be financed, in whole or in part, out of the proceeds of the Financing for which the invitation to bid was issued or the request for expression of interest for the selection of consultants was received, prior to the date of this Amendment and Restatement: (i) the “Guidelines: Procurement under IBRD Loans and IDA Credits” published by the World Bank in May 2004 and revised in October 2006 and May 2010” (“2010 Procurement

3. **Definitions.** The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the Association of particular contracts, refer to the corresponding method described in the Procurement Guidelines, or the Consultant Guidelines, or the 2010 Procurement Guidelines, or the 2010 Consultant Guidelines as the case may be.

**B. Particular Methods of Procurement of Goods and Works**

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

2. **Other Methods of Procurement of Goods and Works.** The following table specifies the methods of procurement, other than International Competitive Bidding, which may be used for goods and works. The Procurement Plan shall specify the circumstances under which such methods may be used:

<table>
<thead>
<tr>
<th>Procurement Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) National Competitive Bidding in accordance with procedures specified in Annex to this Schedule</td>
</tr>
<tr>
<td>(b) Shopping</td>
</tr>
<tr>
<td>(c) Direct Contracting</td>
</tr>
<tr>
<td>(d) Procurement from United Nations Agencies</td>
</tr>
<tr>
<td>(e) Framework Agreements, in accordance with the provisions of paragraph 3.6 of the Procurement Guidelines, using procedures acceptable to the Bank and further described in the Project Operations Manual.</td>
</tr>
</tbody>
</table>

**C. Particular Methods of Procurement of Consultants’ Services**

1. **Quality- and Cost-based Selection.** Except as otherwise provided in paragraph 2 below, consultants’ 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 table specifies methods of procurement, other than Quality- and Cost-based Selection, which may be used for consultants’ services. The Procurement Plan shall specify the circumstances under which such methods may be used.
Procurement Method

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(a)</td>
<td>Quality Based Selection</td>
</tr>
<tr>
<td>(b)</td>
<td>Selection under a Fixed Budget</td>
</tr>
<tr>
<td>(c)</td>
<td>Least Cost Selection</td>
</tr>
<tr>
<td>(d)</td>
<td>Selection Based on the Consultants Qualifications</td>
</tr>
<tr>
<td>(e)</td>
<td>Single Source Selection</td>
</tr>
<tr>
<td>(f)</td>
<td>Individual Consultants</td>
</tr>
</tbody>
</table>

D. Review by the Association of Procurement Decisions

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

Section IV. Withdrawal of the Proceeds of the Financing

A. General

1. The Recipient may withdraw the proceeds of the Financing in accordance with the provisions of Article II of the General Conditions, this Section, and such additional instructions as the Association shall 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 Association and as made applicable to this Agreement pursuant to such instructions), to finance five percent 5% (inclusive of Taxes) of Project’s Eligible Expenditures, consisting of goods, works, services, Training, Grants to Districts, and Operating Costs as of April 16, 2008.

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made for payments made prior to the date of this Agreement.

2. The Closing Date is June 15, 2015.
ANNEX TO SCHEDULE 2

National Competitive Bidding Procedures

The following provisions shall apply in respect of contracts for goods and works financed under the Project and procured according to National Competitive Bidding procedures:

Eligibility

The eligibility of bidders shall be as defined under Section I of the Procurement Guidelines and under Section I of the 2010 Procurement Guidelines; accordingly, no bidder or potential bidder should be declared ineligible for contracts financed by the Association for reasons other than the ones provided by Section I of the Guidelines.

Bidders participation

No eligibility restrictions based on nationality of bidder or origin of goods shall apply; therefore, foreign bidders shall be allowed to participate in NCB without restriction.

No limitations shall be imposed on any bidder as to the number of tenders in which he may participate during a given period of time.

Prior registration, obtaining a license or an agreement shall not be a requirement for any bidder to participate in bidding procedures.

Advertising, Time for Bid Preparation

Potential bidders shall be allowed adequate time to prepare bids which should not be less than 30 days, except for commodities and small goods contract.

Standard Bidding Documents

Standard Bidding Documents, acceptable to the Association, should be used.

Bid Security

Bid security shall not be required for all procurement and shall be capped to a reasonable percentage of the amount of the contract in order not to hinder competition; when required, it shall be in the form of a bank guarantee from a reputable bank.

Qualification Criteria and Evaluation Criteria

Qualification criteria shall be clearly specified in the bidding documents, and all criteria so specified, and only criteria so specified, shall be used to determine whether a bidder is qualified. The evaluation of the bidder's qualifications should be conducted separately from the technical and commercial evaluation of the bid. The deliberate and material
violation by the supplier, contractor or subcontractor of such provision may amount to obstructive practice.

Bid Opening, Evaluation and Award of Contract

Bids shall be opened immediately after the stipulated deadline for submission of bids. Bids received after the deadline for bid submission shall be rejected and returned to the bidders unopened.

(a) Evaluation of bids shall be made in strict adherence to the criteria that shall be clearly specified in the bidding documents and quantified in monetary terms for evaluation criteria other than price; Merit points shall not be used in bid evaluation

(b) A contract shall be awarded to the technically responsive bid that offers the lowest evaluated price and no negotiations shall be permitted.

(c) Bidders shall not be eliminated from detailed evaluation on the basis of minor, non-substantial deviations.

(d) No bidder shall be rejected on the basis of a comparison with the employer's estimate and budget ceiling without the Association’s prior concurrence.

Preferences

No domestic preference shall be given for domestic bidders and for domestically manufactured goods

Rejection of all bids and re-bidding

All bids shall not be rejected or new bids solicited without Association’s prior written concurrence.

Publication of the Award of Contract

Publication of the contract award should include (a) name of each bidder who submitted a bid; (b) bid prices as read out at bid opening; (c) name and evaluated price of each bid, (d) name of bidders whose bids were rejected and (e) name of the winning bidder; upon request, the Recipient shall inform unsuccessful bidders of the reasons of their rejection.

Complaints by Bidders and Handling of Complaints

The Recipient shall establish an effective and independent protest mechanism allowing bidders to protest and to have their protests handled in a timely manner.

Fraud and Corruption

The Association shall declare a firm or individual ineligible, either indefinitely or for a stated period, to be awarded a contract financed by the Association, if it at any time
determines that the firm or individual has, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive or obstructive practices in competing for, or in executing, a contract financed by the Association.

Right to inspect/audit

Each bidding document and contract financed from the proceeds of the financing shall include a provision requiring bidders, suppliers and contractors to permit the Association, 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 Association. The deliberate and material violation by the supplier, contractor or subcontractor of such provision may amount to obstructive practice.
APPENDIX

Definitions


4. “Arrangement” means any relevant administrative arrangement to be agreed upon between a District and MoH for the financing of a District Subproject.

5. “Co-financer” and “Co-financiers” means each and all donors providing Co-financing for the Project, through the Multi-Donor Trust Fund.

6. “Co-financing” means the funds provided for the Project through the Multi-Donor Trust Fund.

7. “Co-financing Agreement” means the Multi-Donor Fund Grant Agreement (TF091653) dated March 25, 2008 (as amended) between the Recipient and the Association, as administrator of the Multi-Donor Trust Fund for Health Sector Strategic Plan Support Project.


9. “District” or “Districts” means one or several health districts in the Recipient’s territory whose District Subproject meets selection criteria established in the Project Operational Manual and who have received or are to receive a Grant, under an agreed Arrangement.

10. “District Subprojects” means a set of activities financed or to be financed through Grants made to Districts through an Arrangement under Component 1(c) of the Project.
11. “Financial Management System” means the Stand-alone Free balance accounting system or its successor deployed by MOF (as hereinafter defined) to account for development projects, including records and accounts, maintained by MoH (as hereinafter defined).

12. “General Conditions” means the “International Development Association General Conditions for Credits and Grants”, dated July 1, 2005 (as amended through October 15, 2006).

13. “Grant”, “Grants” or “Innovative Activities and Pilots” means a grant or several grants made or proposed to be made under Component 1(c) of the Project to a District for the financing of a District Subproject.

14. “Guidelines on Maintenance, Handling and Disposal of Asbestos Materials and Asbestos Waste” mean the guidelines adopted by the East Timor Transition Administration in September 2000 which contains: (i) guidelines on the maintenance of asbestos-cement products; (ii) guidelines on the handling of building rubble and other material containing asbestos; and (iii) guidance for the siting and management of asbestos disposal sites.

15. “MoF” means the Recipient’s Ministry of Finance or any successor thereto.

16. “MoH” means the Recipient’s Ministry of Health or any successor thereto.

17. “Multi-Donor Trust Fund Grant Agreement” means the agreement to be entered into between the Recipient and the Association, as Administrator of the Multi-Donor Trust Fund (as hereinafter defined), providing for the Co-financing to the Recipient for the Project.

18. “Multi-Donor Trust Fund” means the Multi-Donor Trust Fund, administered by the Association on behalf of a number of donors, for the purpose of financing a number of health related activities carried out in the context of the Recipient’s HSSP.

19. “Health Sector Strategic Plan” or “HSSP” means the Recipient’s Health Sector Strategic Plan for the Years 2007 to 2012, dated August 27, 2007, and “HSSP-SP” means this Health Sector Strategic Plan Support Project.

20. “National Health Sector Strategic Plan” or “NHSSP” means the Recipient’s National Health Sector Strategic Plan for the Years 2011 to 2030 and “NHSSP-SP” means this National Health Sector Strategic Plan Support Project.

22. "Operating Costs" means costs incurred by MoH on account of the Project and reasonably related thereto and in each case as approved by the Association based on annual budgets acceptable to the Association, including: (i) operation and maintenance of vehicle, repairs, fuel and spare parts; (ii) equipment and computer maintenance, including hardware and software; (iii) communication costs and shipment costs (whenever these costs are not included in the cost of goods); (iv) office supplies; (v) bank and insurance charges and fees; (vi) rent and utilities for office facilities; (vii) salaries of contracted support staff; (ix) travel and per diem costs for supervisory and quality control activities; but excluding salaries, fees and honoraria of the Recipient's civil servants.


24. "Procurement Plan" means the Recipient’s procurement plan for the Project, dated November 5, 2007 and referred to in paragraph 1.16 of the Procurement Guidelines and paragraph 1.24 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.

25. "Project Management Team" means the Project team within the administrative structure of MoH in charge of the day-to-day implementation, monitoring and evaluation of the Project.

26. "Project Operations Manual" means the manual to be adopted by the Recipient in accordance with Section 4.01 of this Agreement, which shall include, inter alia: (i) implementation, financial management, audit, and procurement arrangements for the Project; (ii) monitoring and evaluation procedures; and (iii) guidelines for the preparation and implementation of annual activity plans, as said manual may be amended from time to time with the prior agreement of the Project Steering Committee and Association; (iv) membership and operation of the Project Steering Committee; (v) contractual, remuneration and behavior framework for both national and international consultants recruited under the Project; (vi) the criteria, detailed rules and procedures for the selection and financing of the District Subprojects.

27. "Project Steering Committee" means a committee to be established by the Recipient in form and substance satisfactory to the Association and with representation from relevant heads of technical and administrative departments in MoH and MoF as well as representation from the Co-financiers (as further detailed in the Project Operational Manual) in charge of providing oversight for the Project implementation.

28. "Training" means, in relation to the Project: (a) reasonable travel, room, board and per diem expenditures as incurred by trainers and trainees in connection with
their training and by non-consultant training facilitators; (b) course fees; (c) training facility rentals; and (d) training material preparation, acquisition, reproduction and distribution expenses, in each case as approved by the Association based on annual budgets acceptable to the Association.