Multi-donor Trust Fund for Health Results Innovation Grant Agreement

(Additional Financing for the Health Sector Development Support Project)

between

REPUBLIC OF BURUNDI

and

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT and INTERNATIONAL DEVELOPMENT ASSOCIATION

both acting as administrator of the Multi-donor Trust Fund for Health Results Innovation

Dated July 25, 2012
MDTF-HRI GRANT NUMBER TF012526

MULTI-DONOR TRUST FUND FOR HEALTH RESULTS INNOVATION
GRANT AGREEMENT

AGREEMENT dated January 25, 2012, entered into between the REPUBLIC OF BURUNDI ("Recipient") and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT and INTERNATIONAL DEVELOPMENT ASSOCIATION (collectively, "World Bank"), both acting as administrator of the Multi-donor Trust Fund for Health Results Innovation ("Trust Fund"), for the purpose of providing additional financing for activities related to the Original Project (as defined in the Appendix to this Agreement).

The Recipient and the World Bank hereby agree as follows:

Article I
Standard Conditions; Definitions

1.01. The Standard 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 Standard Conditions or in this Agreement.

Article II
The Project

2.01. The Recipient declares its commitment to the objective of the project described in Schedule 1 to this Agreement ("Project"). To this end, the Recipient shall carry out the Project through the Ministry of Public Health and Fight Against HIV/AIDS 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 fourteen
million eight hundred thousand United States Dollars ($14,800,000) ("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 abovementioned Trust Fund for which the World Bank receives periodic contributions from the donors 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 donors 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. This Agreement shall not become effective until evidence satisfactory to the World Bank has been furnished to the World Bank that:

(a) The execution and delivery of this Agreement on behalf of the Recipient have been duly authorized or ratified by all necessary governmental action.

(b) The Recipient has issued a formal instruction to the Health Facilities to implement articles 14 and 15 of the Ministerial Ordinance in accordance with the Recipient's Health Norms.

4.02. As part of the evidence to be furnished pursuant to Section 4.01 of this Agreement, there shall be furnished to the World Bank an opinion or opinions satisfactory to the World Bank of counsel acceptable to the World Bank or, if the World Bank so requests, a certificate satisfactory to the World Bank of a competent official of the Recipient, showing, on behalf of the Recipient, that this Agreement has been duly authorized or ratified by, and executed and delivered on its behalf and is legally binding upon it in accordance with its terms.

4.03. 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 of this Agreement ("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.
4.04. This Agreement and all obligations of the parties under it shall terminate if it has not entered into effect by the date ninety (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. The Recipient's Representative referred to in Section 7.02 of the Standard Conditions is its minister at the time responsible for finance.

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

Ministry of Finance and Planning of Economic Development
P. O. Box 1830
Bujumbura
Burundi

Facsimile:
257-22-22-38-27

5.03. The World Bank's Address referred to in Section 7.01 of the Standard Conditions is:

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

Cable: INTBAFRAD
Telex: 248423 (MCI) or 1-202-477-6391
Facsimile: 64145 (MCI)
AGREED at Bujumbura, Burundi as of the day and year first above written.

REPUBLIC OF BURUNDI

By

Authorized Representative

Name: Tabu Abdallah Manirakiza
Title: Minister

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT
ASSOCIATION
both acting as administrator of the Multi-donor Trust Fund
for Health Results Innovation

By

Authorized Representative

Name: Mercy Sendim
Title: Country Manager
SCHEDULE 1

Project Description

The objective of the Project is to increase the use of a defined package of health services by pregnant women and children under the age of five.

The Project consists of the following parts:

1. **Results-Based Health Services Financing**

   Provision of support to the Free Package of Health Services, principally to pregnant women and children under five, through the provision of Results-Based Payments.

2. **Verification Activities for Results-Based Payments**

   (a) Carrying out a program of activities to maintain and strengthen internal controls in relation to Free Package of Health Services-Related Activities.

   (b) Carrying out a program of activities to maintain and strengthen external controls in relation to, including carrying out of third-party verification of, Free Package of Health Services-Related Activities.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

Ministry of Public Health and Fight Against HIV/AIDS

1. The Ministry of Public Health and Fight Against HIV/AIDS shall be responsible for overall Project implementation and management in accordance with the following institutional arrangements.

Directorate General of Health Services and Fight Against HIV/AIDS

2. The Directorate General of Health Services and Fight Against HIV/AIDS shall be responsible for overall coordination and technical supervision of the Project, with the Directorate of Health Promotion, Hygiene, and Sanitation specifically responsible for the Project’s compliance with the plans referred to in paragraph E below.

Directorate of General Resources

3. The Directorate General of Resources shall be responsible for administrative and financial management, procurement, and disbursement under the Project, and, to this end, the Recipient shall maintain in said Directorate General, throughout Project implementation, competent personnel in adequate numbers, particularly in the areas of financial management and procurement.

The Directorate General of Planning

4. The Directorate General of Planning shall be responsible for monitoring and evaluation under the Project, and, to this end, the Recipient shall maintain in said Directorate General, throughout Project implementation, competent personnel in adequate numbers.

B. Anti-Corruption

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

C. Manuals

1. The Recipient shall maintain the Results-Based Financing Procedures Manual in form and substance satisfactory to the World Bank setting forth, inter alia, the
detailed arrangements and procedures, in consideration of the Grant, including: (i) institutional coordination and day-to-day execution of the Project; (ii) disbursement and financial management; (iii) procurement; (iv) social safeguards management; and (vi) monitoring, evaluation, reporting and communication ("Results-Based Financing Procedures Manual").

2. The Recipient shall carry out the Project in accordance with the provisions and requirements set forth or referred to in the Results-Based Financing Procedures Manual and the Ministry of Public Health and Fight Against HIV/AIDS Administrative, Accounting, and Financial Procedures Manual; and except as the World Bank shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive the Results-Based Financing Procedures Manual or the Ministry of Public Health and Fight Against HIV/AIDS Administrative, Accounting, and Financial Procedures Manual, or any provisions thereof. Notwithstanding the foregoing, if any of the provisions of the Results-Based Financing Procedures Manual or the Ministry of Public Health and Fight Against HIV/AIDS Administrative, Accounting, and Financial Procedures Manual is inconsistent with the provisions of this Agreement, the provisions of this Agreement shall prevail and govern.

D. Results-Based Payments

1. General

Without prejudice to the provisions of Section I.A.2 and 3 of this Schedule, the Directorate General of Health Services and Fight Against HIV/AIDS shall review and approve, on behalf of the Recipient, applications for Results-Based Payments, in accordance with the provisions of this Part D and the Results-Based Financing Procedures Manual.

2. Results-Based Payments Eligibility and Free Package of Health Services-Related Activities Implementation Guidelines and Procedures

No proposed Beneficiary shall be eligible for financing under the Project unless, on the basis of a review conducted in accordance with this Part D and the Results-Based Financing Procedures Manual, the proposed Beneficiary is deemed to satisfy the eligibility criteria specified below and in further detail in the Results-Based Financing Procedures Manual, which shall include the following:

(a) the proposed Beneficiary is a public or non-profit health service provider carrying out Free Package of Health Services-Related Activities;
the proposed Free Package of Health Services-Related Activities satisfy
the requirements of Part I of the Project as described in further detail in
the Results-Based Financing Procedures Manual;

(c) the proposed Free Package of Health Services-Related Activities comply
with the Specific Plan for Very Vulnerable Peoples, Including the Batwa
and the National Biomedical Waste Management Plan;

(d) the proposed Free Package of Health Services-Related Activities are
consistent with the relevant sectoral, environmental, and social standards
and policies; and

(e) the Beneficiary has put in place all necessary arrangements, including
financial and human resources, for the management of the proposed Free
Package of Health Services-Related Activities.

3. Terms and Conditions of Results-Based Payments Agreements

(a) Free Package of Health Services-Related Activities shall be carried out
pursuant to a Results-Based Payments Agreement, to be concluded
between the Directorate General of Health Services and Fight Against
HIV/AIDS on behalf of the Recipient and the respective Beneficiary,
under terms and conditions, satisfactory to the World Bank, as further
described in the Results-Based Financing Procedures Manual, which
shall include the following:

(i) a description of the Free Package of Health Services-Related
Activities, the applicable rates, and applicable performance
indicators;

(ii) the obligation of the Beneficiary to: (A) carry out the Free
Package of Health Services-Related Activities with due diligence
and efficiency and in accordance with sound technical, financial,
administrative, and environmental practices; (B) ensure that
the resources required for the activities are provided promptly
as needed; (C) maintain adequate records to reflect, in
accordance with sound accounting practices, the resources,
operations, and expenditures relating to the Free Package of
Health Services-Related Activities; and (D) at the request of the
World Bank or the Recipient, have such records audited by
independent auditors acceptable to the World Bank, in
accordance with consistently applied auditing standards
acceptable to the World Bank, and promptly furnish the records
as so audited to the Recipient and the World Bank;
(iii) the obligation of the Beneficiary to carry out the Free Package of Health Services-Related Activities in accordance with the provisions of the Anti-Corruption Guidelines;

(iv) the obligation of the Beneficiary to carry out the Free Package of Health Services-Related Activities in accordance with the provisions of the Ministry of Public Health and Fight Against HIV/AIDS Administrative, Accounting, and Financial Procedures Manual and the Results-Based Financing Procedures Manual;

(v) the obligation of the Beneficiary to carry out the Free Package of Health Services-Related Activities in accordance with the provisions of: (A) the Specific Plan for Very Vulnerable Peoples, Including the Batwa; and (B) the National Biomedical Waste Management Plan;

(vi) the requirement that the goods and consultants’ services to be financed from the proceeds of the Results-Based Payment shall be procured in accordance with procedures ensuring efficiency and economy as further detailed in Section III of this Schedule, and shall be used exclusively in the carrying out of the Free Package of Health Services-Related Activities; and

(vii) the right of the Directorate General of Health Services and Fight Against HIV/AIDS, or the Ministry of Public Health and Fight Against HIV/AIDS, on behalf of the Recipient, and of the Recipient in its own right, to: (A) inspect by itself, or jointly with the World Bank, if the World Bank shall so request, the goods and sites included in the Free Package of Health Services-Related Activities, the operations thereof, and any relevant records and documents; (B) obtain all information as it, or the World Bank, shall reasonably request regarding the administration, operation, and financial condition of the Free Package of Health Services-Related Activities; and (C) suspend or terminate the right of the Beneficiary to use the proceeds of the Results-Based Payment, or obtain a refund of all or any part of the amount of the Results-Based Payment then withdrawn, as the case may be, upon failure by the Beneficiary to perform any of its obligations under the Results-Based Payments Agreement.

(b) The Recipient, or the Directorate General of Health Services and Fight Against HIV/AIDS, or the Ministry of Public Health and Fight Against HIV/AIDS, as the case may be, shall exercise its rights and carry out its objectives under the Results-Based Payments Agreement in such manner
as to protect its interests and those of the World Bank and to accomplish the purposes of the Results-Based Payment, and, except as the World Bank shall otherwise agree, neither the Recipient nor the Directorate General of Health Services and Fight Against HIV/AIDS, nor the Ministry of Public Health and Fight Against HIV/AIDS, shall assign, amend, abrogate, or waive, or permit to be assigned, amended, abrogated, or waived, the aforementioned, or any provision thereof.

4. **External Controls**

(a) The Recipient shall maintain, throughout Project implementation, external auditors, with qualifications, experience, and terms of reference satisfactory to the World Bank, for purposes of the third-party verification of Free Package of Health Services-Related Activities to be carried out under Part 2(b) of the Project.

(b) The Recipient shall cause said auditors to carry out, throughout Project implementation, quarterly verification exercises of Free Package of Health Services-Related Activities, including community and focus group surveys, Beneficiary spot checks, verification of data provided and records kept by Beneficiaries in relation to Free Package of Health Services-Related Activities, and assessments of the quality of health services provided under such Activities, in accordance with the provisions of the Results-Based Financing Procedures Manual.

E. **Safeguards**

1. The Recipient shall ensure that the Project is carried out in accordance with the provisions of the Specific Plan for Very Vulnerable Peoples, Including the Batwa and the National Biomedical Waste Management Plan, and, except as the World Bank shall otherwise agree, the Recipient shall not assign, amend, abrogate, or waive, or permit to be assigned, amended, abrogated, or waived, the aforementioned, or any provision thereof.

2. In the event of any conflict between the provisions of the Specific Plan for Very Vulnerable Peoples, Including the Batwa, or the National Biomedical Waste Management Plan, and those of this Agreement, the latter shall prevail.

3. Without limitation upon its other reporting obligations under Section II.A.1 (a) of this Schedule, the Recipient shall take all measures necessary on its part to regularly collect, compile, and submit to the World Bank, as part of the Project Report, information on the status of compliance with the Specific Plan for Very Vulnerable Peoples, Including the Batwa and the National Biomedical Waste Management Plan, giving details of:
(a) measures taken in furtherance of said plans;
(b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of said plans; and
(c) remedial measures taken or required to be taken to address such conditions.

4. The Directorate General of Health Services and Fight Against HIV/AIDS shall be responsible for the implementation and monitoring and evaluation of said plans.

5. To this end, and for purposes of capacity building of said Directorate General in this regard, the Recipient shall maintain, throughout Project implementation, in said Directorate General an environmental and social specialist, with qualifications, experience, and terms of reference satisfactory to the World Bank.

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 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 (1) calendar semester, and shall be furnished to the World Bank not later than ninety (90) 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 months after the Closing Date.

B. Financial Management; Financial Reports; Audits

1. The Recipient shall maintain and caused to be maintained a financial management system in accordance with the provisions of Section 2.07 of the Standard Conditions.

2. The Recipient shall maintain the Directorate General of Resources and the information system configured to interface with the accounting system of said Directorate.

3. Without limitations on the provisions of Part A of this Section, the Recipient shall prepare and furnish to the World Bank, interim unaudited financial reports
for the Project covering the semester, not later than forty-five (45) days after the end of the period, in form and substance satisfactory to the World Bank.

4. 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 audit of the Financial Statements shall cover the period of one (1) 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.

5. To this end, the Recipient shall maintain, throughout Project implementation, external auditors, with qualifications, experience, and terms of reference satisfactory to the World Bank.

Section III. Procurement

A. General

1. Goods. All goods 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 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 Grant 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. 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

1. International Competitive Bidding. Except as otherwise provided in paragraph 2 below, goods shall be procured under contracts awarded on the basis of International Competitive Bidding.
2. **Other Methods of Procurement of Goods.** The following table specifies the methods of procurement, other than International Competitive Bidding, which may be used for goods. 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</td>
</tr>
<tr>
<td>(b) Shopping</td>
</tr>
<tr>
<td>(c) Direct Contracting</td>
</tr>
<tr>
<td>(d) Procurement from UNOPS</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.

<table>
<thead>
<tr>
<th>Procurement Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Least Cost Selection</td>
</tr>
<tr>
<td>(b) Selection Based on Consultants' Qualifications</td>
</tr>
<tr>
<td>(c) Single Source Selection</td>
</tr>
<tr>
<td>(d) Selection of Individual Consultants</td>
</tr>
<tr>
<td>(e) Selection under a Fixed Budget</td>
</tr>
</tbody>
</table>

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 USD)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) (a) Results-Based Payments under Part 1 of the Project in the first year of Project Implementation</td>
<td>4,750,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) (b) Results-Based Payments under Part 1 of the Project in the second year of Project Implementation</td>
<td>5,500,000</td>
<td>100%</td>
</tr>
<tr>
<td>(3) (c) Results-Based Payments under Part 1 of the Project in the third year of Project Implementation</td>
<td>1,050,000</td>
<td>100%</td>
</tr>
<tr>
<td>(4) (2) Goods, consultants' services, Training, Operating Costs (Part 2 of the Project)</td>
<td>2,750,000</td>
<td>100%</td>
</tr>
<tr>
<td>(5) Unallocated</td>
<td>750,000</td>
<td></td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>14,800,000</td>
<td></td>
</tr>
</tbody>
</table>
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; or

(b) under Category (1) (a), unless the Recipient has: (i) exhausted, pursuant to Section V(B)(a)(iii) of this Schedule, the funds allocated in the Counterpart Funds Account for the first year of Project implementation; and (ii) revised the Results-Based Financing Procedures Manual in a manner satisfactory with the World Bank; or

(c) under Category (1) (b), unless the Recipient has exhausted, pursuant to Section V(B)(a)(iii) of this Schedule, the funds allocated in the Counterpart Funds Account for the second year of Project implementation; or

(d) under Category (1) (c), unless the Recipient has exhausted, pursuant to Section V(B)(a)(iii) of this Schedule, the funds allocated in the Counterpart Funds Account for the third year of Project implementation.

2. The Closing Date referred to in Section 3.06 (c) of the Standard Conditions is August 31, 2014.

Section V. Other Undertakings

A. Results-Based Financing

(a) The Recipient shall, throughout Project implementation, maintain its allocation to the budget of the Ministry of Public Health and Fight Against HIV/AIDS for the provision of the Free Package of Health Services to pregnant women and children under five at no less than 1.4 percent (1.4%) of the Recipient's general budget expenditures outlined in the Recipient's second “Cadre Stratégiqve de Lutte Contre la Pauvreté” for 2012-1015.

(b) The Recipient shall on a semi-annual basis, upon agreement with the World Bank, fix the minimum payment percentage of Category 1 from the Grant and the Counterpart Funds to be allocated to Health Centers providing services under the Free Package of Health Services.

(c) The Recipient shall, throughout Project implementation, set forth measures to ensure sustainability of the Free Package of Health Services in accordance with the guidance provided in the Results-Based Financing Procedures Manual.
B. Counterpart Funds

(a) In order to assist in carrying out Part I of the Project, the Recipient shall, no later than 3 months after the allocation of the percentage of its general expenditures to the budget of the Ministry of Public Health and Fight Against HIV/AIDS as required under Part A of this Section V,

(i) maintain in the Bank of the Republic of Burundi, at all times throughout the Project period, on terms and conditions acceptable to the World Bank, the Counterpart Funds Account into which it shall deposit all such allocation for the implementation of activities under Part I of the Project ("Counterpart Funds Account");

(ii) without limitation upon the provisions of Section 2.01(b) of the Standard Conditions, deposit into the Counterpart Funds Account, an amount in the Recipient's currency, equivalent to the percentage of budget allocation required under Part A of this Section V; and

(iii) ensure that all amounts deposited in the Counterpart Funds Account shall be used exclusively to pay for Eligible Expenditures required for Part I of the Project.

C. Annual Work Plans and Budgets

The Recipient shall:

(a) furnish to the World Bank for approval as soon as available, but in any case not later than November 30 of each year, the annual work plan and budget for the Project for each subsequent year of Project implementation, of such scope and detail as the World Bank shall have reasonably requested, except for the annual work plan and budget for the Project for the first year of Project implementation, which shall be furnished not later than one (1) month after the Effective Date; and

(b) thereafter ensure that the Project is carried out in accordance with said plans and budgets.

D. Semi-Annual Reviews

The Recipient shall review with the World Bank, not later than one (1) month after the transmittal to the World Bank of every Project Report referred to in Section II.A.1 (a) of this Schedule, or such later date as the World Bank shall request, said Project Report, and, thereafter, take all measures required to ensure the efficient completion of the Project and the achievement of the objective
thereof, based on the conclusions and recommendations of said review and the World Bank's views on the matter.

E. Other

(a) Not later than December 15, 2012, the Recipient shall prepare a training program, satisfactory to the World Bank, for all staff involved in procurement processing within the insert Ministry of Public Health and Fight Against HIV/AIDS, to be carried out throughout Project implementation.

(b) Not later than April 15, 2013, the Recipient shall establish a procurement complaint management system, acceptable to the World Bank, within the insert Ministry of Public Health and Fight Against HIV/AIDS, and shall maintain such system throughout Project implementation.

(c) The Recipient shall ensure that the Financing shall be used exclusively for the financing of activities detailed in Schedule 1 of this Agreement and no portion of the Financing shall be used for any applicable expenditure under the Project if such expenditure was reimbursed by the Original Grant.
APPENDIX

Section I. Definitions


2. “Bank of the Republic of Burundi” or “Banque de la République de Burundi” means the Recipient central bank.

3. “Beneficiary” means an entity to which or for whose benefit a Results-Based Payment (as hereinafter defined) is made or proposed to be made and which is a party to a Results-Based Payments Agreement (as hereinafter defined).

4. “Cadre Stratégique de Lutte contre la Pauvreté” means the document prepared by the Recipient describing its macroeconomic and budgetary programming for the 2012-2015 period.


6. “Counterpart Funds Account” means the account maintained by the Recipient at the Bank of the Republic of Burundi for the purposes of the Project in accordance with the provisions of Section V.B of Schedule 2 to the Grant Agreement.


8. “Directorate General of Planning” (Direction Générale de la Planification) means the Recipient’s entity, under the supervisory authority of the Ministry of Public Health and Fight Against HIV/AIDS (as hereinafter defined), responsible for overall planning as well as monitoring and evaluation activities.

9. “Directorate General of Resources” (Direction Générale des Ressources) means the Recipient’s entity, under the supervisory authority of the Ministry of Public Health and Fight Against HIV/AIDS (as hereinafter defined), responsible for resource management for said Ministry and in the health sector.

10. “Directorate of Health Promotion, Hygiene, and Sanitation” (Direction de la Promotion de la Santé, de l’Hygiène et de l’Assainissement) means the Recipient’s entity, under the supervisory authority of the Directorate General of
Health Services and Fight Against HIV/AIDS, responsible for health promotion, hygiene, and sanitation.

11. "Free Package of Health Services" means the Recipient's free package of health services, referred to under Part 1 of the Project, procured in accordance with Section III of Schedule 2 to this Agreement, comprising preventive and curative services, including primary health care and preventive services for pregnant women, delivery and post-partum care, care for children under the age of five, and family planning services.

12. "Free Package of Health Services-Related Activities" means the activities relating to the provision of the Free Package of Health Services and in support of which a Results-Based Payment (as hereinafter defined) is made or proposed to be made.


15. "Health Norms" means the health norms specified in the manual for the implementation of the National Health Development Plan, adopted by the Recipient and dated June, 2007.


17. "Hospitals" means the Recipient's hospitals referred in the Presidential Decree on the Free Health Care Policy.

18. "Ministerial Ordinance" means the ministerial ordinance 630/677, dated April 16, 2010 pursuant to the Presidential Decree on the Free Health Care Policy.


Ministry of Public Health and Fight Against HIV/AIDS, as the same may be amended from time to time with the prior written agreement of the World Bank, and such term includes any annexes or schedules to said Manual.

21. "National Biomedical Waste Management Plan" (Plan National de Gestion des DÉchets Biomédicaux) means the Recipient’s plan, dated April 2, 2009, agreed with the World Bank and setting out the measures to be taken for the development and implementation of biomedical waste management and safe handling of said waste, as the same may be modified from time to time with the prior written agreement of the World Bank, and such term includes any annexes or schedules to said Plan.

22. "National Health Development Plan" (Plan National de Développement Sanitaire) means the Recipient’s plan, covering the period from 2006-10, for the development of its health sector.

23. "Operating Costs" means the incremental operating costs under the Project, based on the annual work plans and budgets referred to in Section V.C of Schedule 2 to this Agreement as approved by the World Bank, and incurred by the Ministry of Public Health and Fight Against HIV/AIDS on account of utilities and supplies, bank charges, communications, vehicle operation, maintenance, and insurance, office space rental, building and equipment maintenance, public awareness-related media expenses, travel and supervision, and salaries of contractual and temporary staff, but excluding salaries, fees, honoraria, and bonuses of members of the Recipient’s civil service.


25. "Original Grant" means the grant provided under the Original Financing Agreement.

26. "Original Project" means the Project described in the Original Financing Agreement.

27. "Presidential Decree on the Free Health Care Policy" means the Recipient’s Decret no. 100/38 du 16 Mars 2010 Portant Revision de Subvention des Soins aux Enfants de Moins de 5 Ans et des Accouchements dans les Structures de Soins Publiques et Assurées, as the same may be updated from time to time.

29. "Procurement Plan" (Plan de Passation des Marchés) means the Recipient's procurement plan for the Project, dated April 22, 2009 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.

30. "Results-Based Financing Procedures Manual" (Manuel des Procédures relatives au Financement Basé sur les Résultats) means the manual dated September 2011 and revised in accordance with Section IV.B.1(b) of Schedule 2 to this Agreement, as the same may be revised from time to time with the prior written agreement of the World Bank, and such term includes any schedules to said Manual.

31. "Results-Based Payment" means a payment made or proposed to be made out of the proceeds of the Grant to finance the provision of the Free Package of Health Services.

32. "Results-Based Payments Agreement" means an agreement between the Recipient, represented by the Directorate General of Resources, and a Beneficiary, setting forth the terms and conditions governing Results-Based Payments.

33. "Specific Plan for Very Vulnerable Peoples, Including the Batwa" (Plan Spécifique pour les Populations Très Vulnerables, dont les Batwa) means the Recipient's plan, dated March 13, 2009, outlining measures to ensure culturally appropriate social and economic benefits for the Batwa under the Project and avoidance, minimization, or mitigation of or compensation for any potential adverse effects on the Batwa associated with activities to be implemented under the Project, as shall have been agreed with the World Bank for purposes of Project implementation, as the same may be updated from time to time with the prior written agreement of the World Bank, and such term includes any annexes or schedules to said Plan.


35. "Training" means the costs of training under the Project, based on the annual work plans and budgets referred to in Section V.C of Schedule 2 to this Agreement as approved by the World Bank, 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.
36. "UNOPS" or "United Nations Office for Project Services" means an independent self-financing member of the United Nations family serving as a central resource for the United Nations system in procurement and contracts management.