Loan Agreement

(Social Safety Net Project)

between

REPUBLIC OF ECUADOR

and

INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT
LOAN AGREEMENT

AGREEMENT dated as of the Signature Date between the REPUBLIC OF ECUADOR ("Borrower") and the INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT ("Bank"). The Borrower and the Bank hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

1.01. The General Conditions (as defined in the Appendix to this Agreement) apply to and form 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 — LOAN

2.01. The Bank agrees to lend to the Borrower the amount of three hundred fifty million Dollars (USD 350,000,000), as such amount may be converted from time to time through a Currency Conversion ("Loan"), to assist in financing the project described in Schedule 1 to this Agreement ("Project").

2.02. The Borrower may withdraw the proceeds of the Loan in accordance with Section III of Schedule 2 to this Agreement.

2.03. The Front-end Fee is one quarter of one percent (0.25%) of the Loan amount.

2.04. The Commitment Charge is one quarter of one percent (0.25%) per annum on the Unwithdrawn Loan Balance.

2.05. The interest rate is the Reference Rate plus the Fixed Spread or such rate as may apply following a Conversion; subject to Section 3.02(e) of the General Conditions.

2.06. The Payment Dates are March 15 and September 15 in each year.

2.07. The principal amount of the Loan shall be repaid in accordance with Schedule 3 to this Agreement.

ARTICLE III — PROJECT

3.01. The Borrower declares its commitment to the objectives of the Project. To this end, the Borrower shall carry out Parts 1.2., 1.3., 2.2. and 2.3. and partially 2.4. of the Project through MIES, and Parts 1.1., 2.1. and partially 2.4. of the Project through SENPLADES, in accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement.
ARTICLE IV — EFFECTIVENESS; TERMINATION

4.01. The Effectiveness Deadline is the date ninety (90) days after the Signature Date.

ARTICLE V — REPRESENTATIVE; ADDRESSES

5.01. Except as provided in Section 2.02 of this Agreement, the Borrower’s Representative is the Minister of Economy and Finance.

5.02. For purposes of Section 10.01 of the General Conditions, the Borrower’s address is:

Ministry of Economy and Finance
Av. Amazonas y Pereira, Plataforma Financiera
Quito, Ecuador

Telephone: (5932) 399-8500

5.03. For purposes of Section 10.01 of the General Conditions:

(a) the Bank’s address is:

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

(b) the Bank’s Electronic Address is:

Telex: Facsimile:
248423(MCI) or 1-202-477-6391
64145(MCI)
AGREED as of the Signature Date.

REPUBLIC OF ECUADOR

By [Signature]

Authorized Representative

Name: Francisco Carrión Mena

Title: Ambassador Republic of Ecuador to the USA

Date: July 22, 2019

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By [Signature]

Authorized Representative

Name: Axel van Trotsenburg

Title: Vice President Latin America & Caribbean

Date: July 22, 2019
SCHEDULE 1

Project Description

The objective of the Project is to improve the equity, integration and sustainability of selected social safety net programs.

The Project consists of the following parts:

Part 1. Improving equity, integration and sustainability of the Selected Social Safety Net Programs

1.1: Improvements in the Social Registry

Provision of financing to the EEPs to strengthen the Social Registry through, *inter alia*:

(a) Updating and improving Social Registry data: (i) revising the data-collection strategy, including protocols, calendar and data-quality monitoring processes; (ii) developing a communication strategy for the roll-out of the Social Registry; (iii) enhancing existing information and technology tools; and (iv) finalizing the data-collection process, including hiring universities or other third parties to undertake surveys.

(b) Improving accuracy of the Social Registry’s beneficiary selection mechanism: transition the Selected Social Safety Net Programs to use the new Social Registry Index (SOCIAL REGISTRY 2018).

(c) Strengthen the Social Registry regulatory framework.

1.2: Improving integration within Selected Social Safety Net Programs

Provision of financing to the EEPs to increase the access of Eligible Beneficiaries to an integrated package of cash transfers and complementary social services, including *inter alia*:

(a) (i) Updating the operational rules and manuals for each Selected Social Safety Net Program, and the preparation of joint operational rules and manuals to ensure integration; and (ii) developing and updating of service provision maps aligned with the poorest targeted population, and the provision of support to increase MIES operational capacity in delivering complementary services, directly or through performance-based agreements with GADs and NGOs.

(b) Carrying out of activities aimed to enhance the Accompaniment Mechanisms provided to beneficiaries of the BDH-V and the PMMA.

1.3: Improving the sustainability of Selected Social Safety Net Programs

Provision of financing to the EEPs for the development and application of comprehensive exit strategy for Eligible Beneficiaries that receive the BDH or BDH-V, through the CDH.
Part 2: Technical Assistance for Capacity Building & Monitoring and Evaluation

Provision of support to improve the effectiveness of the Selected Social Safety Net Programs and to support institutional capacity building.

2.1: Technical Assistance to support equity improvements

Provision of support for Part 1.1 of the Project, including, *inter alia*: (a) the verification of collected data from massive processes; (b) regular updating of some variables of the Social Registry and the update of the family composition; and (c) standardizing the information transfer process between the Social Registry and the programs that use the social registry data, as well as to guide entities in the use of the Social Registry to design strategies and public policies.

2.2: Technical Assistance to support integration improvements

Provision of support for Part 1.2 of the Project, including, *inter alia*: (a) optimize services provided by MIES; (b) strengthen family accompaniment mechanisms; and (c) expand coverage and benefits of BDH-V and PMMA.

2.3: Technical Assistance to support sustainability

Provision of support for Part 1.3 of the Project, including, *inter alia*: (a) design and development of instruments for the reformulation of the CDH; (b) development of an IT platform for the registration of economic inclusion services; and (c) design and implementation of a pilot for strengthening micro-networks and provision of training to improve capacities of micro-entrepreneurs under the CDH.

2.4: Technical Assistance to support coordination, monitoring and evaluation activities

Provision of support to strengthen the capacity of MIES and SENPLADES for institutional coordination, strengthening the verification processes, and carrying out impact evaluations for the Selected Social Safety Net Programs.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

The Borrower shall:

(a) maintain, throughout Project implementation, a unit within MIES (MIES PIU) with functions and responsibilities acceptable to the Bank, and staffed with adequate fiduciary, administrative and technical personnel as set forth in the Operational Manual, with the responsibility to implement, monitor and supervise Parts 1.2., 1.3., 2.2. and 2.3. and partially 2.4. of the Project (including its financial, procurement and environmental and social aspects);

(b) not later than ninety (90) days after Effective Date, ensure that a procurement and a financial management specialist are hired to work full time within MIES PIU, all under terms of reference acceptable to the Bank;

(c) maintain, throughout Project implementation, a unit within SENPLADES (SENPLADES PIU) with functions and responsibilities acceptable to the Bank, and staffed with adequate fiduciary, administrative and technical personnel as set forth in the Operational Manual, with the responsibility to implement, monitor and supervise Parts 1.1., 2.1. and partially 2.4. of the Project (including its financial, procurement and environmental and social aspects); and

(d) not later than a ninety (90) days after Effective Date, ensure that a procurement and a financial management specialist are hired to work full time within SENPLADES PIU, all under terms of reference acceptable to the Bank.

B. Inter-institutional Agreements

1. To facilitate the carrying out Part 1.1. of the Project, the Borrower, through SENPLADES, shall enter into agreements with INEC ("Inter-Institutional Agreement"), under terms and conditions acceptable to the Bank, which shall include, inter alia, the Borrower, INEC responsibilities under Part 1.1. of the Project.

2. To facilitate the carrying out Part 1.2. of the Project, the Borrower, through MIES, shall enter into an agreement with the selected GAD and NGO ("Inter-Institutional Agreements"), under terms and conditions acceptable to the Bank, which shall include, inter alia, the Borrower and the respective GAD and NGO responsibilities under Part 1.2. of the Project.

3. To facilitate the carrying out Part 1.3. of the Project, the Borrower, through MIES, shall enter into an agreement with BanEcuador ("Inter-Institutional Agreement"), under terms
and conditions acceptable to the Bank, which shall include, *inter alia*, the Borrower and BanEcuador responsibilities under Part 1.3. of the Project.

4. The Borrower, through MIES and SENPLADES, shall exercise its rights under the Inter-Institutional Agreements in such manner as to protect the interests of the Borrower and the Bank and to accomplish the purposes of the Loan. Except as the Bank shall otherwise agree, the Borrower shall not assign, amend, abrogate or waive the Inter-institutional Agreements or any of its provisions.

C. Operational Manual

1. The Borrower shall, through MIES and SENPLADES, carry out the Project in accordance with the provisions of a manual (the Operational Manual), satisfactory to the Bank, which shall include, *inter alia*: (a) the organizational structure of the Project, including the structure and terms of reference of personnel in charge of the implementation of the Project; (b) the procedures for the carrying out, monitoring and evaluation of the Project; (c) the indicators for Project monitoring and evaluation; (d) the description of DLIIs and the criteria, detailed rules and procedures for DLIIs implementation and monitoring; (e) the DLI Verification Protocols; (f) the Project procurement and financial management requirements and procedures; and (g) the Project’s chart of accounts and internal controls.

2. Not later than thirty (30) days after Effective Date, the Borrower shall adopt the Operational Manual in a manner and with contents acceptable to the Bank.

3. In case of any conflict between the terms of the Operational Manual and those of this Agreement, the terms of this Agreement shall prevail.

D. Environmental and Social Standards

1. The Borrower shall ensure that the Project is carried out in accordance with the Environmental and Social Standards, in a manner acceptable to the Bank.

2. Without limitation upon paragraph 1 above, the Borrower shall ensure that the Project is implemented in accordance with the Environmental and Social Commitment Plan ("ESCP"), in a manner acceptable to the Bank. To this end, the Borrower shall ensure that:

(a) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, and as further specified in the ESCP;

(b) sufficient funds are available to cover the costs of implementing the ESCP;

(c) policies, procedures and qualified staff are maintained to enable it to implement the ESCP, as further specified in the ESCP; and

(d) the ESCP or any provision thereof, is not amended, revised or waived, except as the Bank shall otherwise agree in writing and the Borrower has, thereafter, disclosed the revised ESCP.
In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.

3. The Borrower shall:

   (a) take all measures necessary on its part to collect, compile, and furnish to the Bank through regular reports, with the frequency specified in the ESCP, and promptly in a separate report or reports, if so requested by the Bank, information on the status of compliance with the ESCP [and the management tools and instruments referred to therein], all such reports in form and substance acceptable to the Bank, setting out, inter alia: (i) the status of implementation of the ESCP; (ii) conditions, if any, which interfere or threaten to interfere with the implementation of the ESCP; and (iii) corrective and preventive measures taken or required to be taken to address such conditions; and

   (b) promptly notify the Bank of any incident or accident related to or having an impact on the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, in accordance with the ESCP, the management tools and instruments referenced therein and the Environmental and Social Standards.

4. The Borrower shall maintain and publicize the availability of a grievance mechanism, in form and substance satisfactory to the Bank, to hear and determine fairly and in good faith all complaints raised in relation to the Project and take all measures necessary to implement the determinations made by such mechanism in a manner satisfactory to the Bank.

Section II. Project Monitoring Reporting and Evaluation

1. The Borrower, through MIES, shall furnish to the Bank each Project Report not later than forty-five (45) days after the end of each calendar semester, covering the calendar semester.

2. The Borrower, through MIES, shall not later than ninety (90) days after Effective Date, select and contract an entity or, independent from the Borrower (Independent Technical Review Entity) with experience and qualifications acceptable to the Bank, and in accordance with terms of reference satisfactory to the Bank. The Independent Technical Review Entity shall be responsible for the carrying out of technical audits of the Project at the end of each semester, particularly focused on the achievement of the DLIs.

3. The Borrower, through SENPLADES, shall not later than ninety (90) days after Effective Date, select and contract an entity or, independent from the Borrower (Independent Technical Review Entity) with experience and qualifications acceptable to the Bank, and in accordance with terms of reference satisfactory to the Bank. The Independent Technical Review Entity shall be responsible for the carrying out of technical audits of the Project at the end of each semester, particularly focused on the achievement of the DLIs.
Section III. Withdrawal of Loan Proceeds

A. General

Without limitation upon the provisions of Article II of the General Conditions and in accordance with the Disbursement and Financial Information Letter, the Borrower may withdraw the proceeds of the Loan to finance Eligible Expenditures in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Loan Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be financed (exclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Eligible Expenditure Programs under Part 1.1. of the Project</td>
<td>61,200,000</td>
<td>100% of the amount of the Loan allocated to each DLI, subject to the provisions of Part B of this Section</td>
</tr>
<tr>
<td>(2) Eligible Expenditure Programs under Part 1.2. of the Project</td>
<td>137,680,000</td>
<td>100% of the amount of the Loan allocated to each DLI, subject to the provisions of Part B of this Section</td>
</tr>
<tr>
<td>(3) Eligible Expenditure Programs under Part 1.3. of the Project</td>
<td>129,320,000</td>
<td>100% of the amount of the Loan allocated to each DLI, subject to the provisions of Part B of this Section</td>
</tr>
<tr>
<td>(4) Goods, non-consulting services, consulting services and Operating Costs under Part 2 for MIES</td>
<td>17,050,000</td>
<td>100%</td>
</tr>
<tr>
<td>(5) Goods, non-consulting services, consulting services and Operating Costs under Part 2 for SENPLADES</td>
<td>4,750,000</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>350,000,000</td>
<td></td>
</tr>
</tbody>
</table>

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A above, no withdrawal shall be made:

   (a) for payments made prior to the Signature Date, except that withdrawals up to an aggregate amount not to exceed $70,000,000 may be made for payments made twelve (12) months prior to this date, but on or after June 1, 2018, for Eligible Expenditures under Category (1), (2), (4) and (5), unless: (i) the Borrower has furnished evidence, in form and substance satisfactory to the Bank, of EEPs incurred, as presented in the corresponding EEPs Spending Report; and (ii) the Bank has determined, on the basis of the evidence furnished by the Borrower, as set forth in the Verification Protocols, that the DLIs have been satisfactorily achieved, as further elaborated in the Operational Manual and in the Disbursement and Financial Information Letter;
(b) for payments under Category 3, unless the Borrower has formally created the necessary legal, institutional and implementation arrangements to reformulate CDH as an investment program (Proyecto de Inversión) and included such arrangement in the Operational Manual;

(c) for payments made under Categories (1), (2) and (3) unless: (i) the Borrower has furnished evidence, in form and substance satisfactory to the Bank, of EEPs incurred, as presented in the corresponding EEPs Spending Report; and (ii) the Bank has determined, on the basis of the evidence furnished by the Borrower, as set forth in the Verification Protocols, that the DLIs have been satisfactorily achieved, as further elaborated in the Operational Manual and in the Disbursement and Financial Information Letter.

2. Notwithstanding the provisions of paragraphs B.1(c) of this Section, if the Bank is not satisfied that a DLI under Categories (1), (2) and (3) has been achieved, or partially achieved, the Bank may at any time, and by notice to the Borrower decide, in its sole discretion, to:

(a) In respect of Scalable DLIs:

(i) authorize the withdrawal of a reduced amount of the unwithdrawn proceeds of the Loan allocated to the Scalable DLI which, in the opinion of the Bank, corresponds to the degree of achievement of said Scalable DLI calculated as set forth in the Verification Protocols;

(ii) authorize that the unwithdrawn amount corresponding to the portion of the allocated amount not disbursed due to partial achievement of any Scalable DLI be carried forward to the immediately subsequent withdrawal, pending further achievement of the respective Scalable DLI; or

(iii) cancel all or a portion of the proceeds of the Loan then allocated to said Scalable DLI.

(b) In respect of any DLI which is not a Scalable DLI:

(i) withhold the unwithdrawn proceeds of the Loan then allocated to said DLI until the Bank is satisfied that said DLI has been fully achieved; or

(ii) (A) at the Borrower’s request, and providing there is a justification acceptable to the Bank, reallocate all or a portion of the proceeds of the Loan then allocated to said DLI to any other DLI; (B) adjust or replace said DLI for another DLI; or (C) cancel all or a portion of the proceeds of the Loan then allocated to said DLI.

3. The Closing Date is December 30, 2022.
The following table sets forth the Principal Payment Dates of the Loan and the percentage of the total principal amount of the Loan payable on each Principal Payment Date ("Installment Share").

<table>
<thead>
<tr>
<th>Principal Payment Date</th>
<th>Installment Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>On each March 15 and September 15 Beginning March 15, 2029 through September 15, 2048</td>
<td>2.44 %</td>
</tr>
<tr>
<td>On March 15, 2049</td>
<td>2.40 %</td>
</tr>
</tbody>
</table>
## SCHEDULE 4
### Disbursement -Linked Indicators

<table>
<thead>
<tr>
<th>Objectives</th>
<th>Baseline</th>
<th>Year 1 (2019)</th>
<th>Year 2 (2020)</th>
<th>Year 3 (2021)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supporting improved equity within Selected Social Safety Net Programs in the Social Registry</td>
<td>224,753 households</td>
<td>DLI 1 Executive Decree creating the institutional framework to operate the Social Registry, approved. (Value: US$20.4 M)</td>
<td>DLI 8 At least 2.4 million households, of which 720,000 are classified d1 to d3 by the 2018 Social Registry Index, included in a validated database. (Value: US$ 16.25 M)</td>
<td></td>
</tr>
<tr>
<td>Supporting the Integration within Selected Social Safety Net Programs through increased access to cash transfers and care services for poorest children under three and seniors over 65</td>
<td>4,306 children</td>
<td>DLI 2 4,589 children under 3 years old from extreme poor households have access to BDH-V and early childhood services. (Value: US$ 20 M)</td>
<td>DLI 9 36,806 children under 3 years old from extreme poor households have access to BDH-V and early childhood services. (Value: US$ 36.05 M)</td>
<td>DLI 12 61,805 children under 3 years old from extreme poor households have access to BDH-V and early childhood services. (Value: US$64.46 M)</td>
</tr>
<tr>
<td></td>
<td>397 elderly</td>
<td>DLI 3 Operational Manual of ‘Misión Ternura’ approved. (Value: US$6.1 M)</td>
<td>DLI 5 Operational Manual of “Mis Mejores Ahos” approved. (Value: US$ 0.83 M)</td>
<td></td>
</tr>
<tr>
<td>Improving sustainability of the whole SSN through the implementation of BDH exit strategy</td>
<td>0 households</td>
<td>DLI 4 54,663 of poor households enrolled in a twenty-four months package CDH program. (Value: US$60.6 M)</td>
<td>DLI 10 12,279 elderly persons from extreme poor households receive PMMA and have access to care services. (Value:US$3.81 M)</td>
<td>DLI 13 20,279 elderly persons from extreme poor households receive PMMA and have access to care services. (Value: USD 6.43)</td>
</tr>
</tbody>
</table>

### Estimated Disbursement
- US$ 137.48 M
- US$ 119.83 M
- US$ 70.89 M
APPENDIX

Section I. Definitions

1. “Accompaniment Mechanisms” means the program that seeks to strengthen the family nucleus, improve their relationship within and in the community, support access to services within the social protection floor (health, education, inclusion, housing) and develop capacities and opportunities for autonomy and sustainable exit from poverty.

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. “Approved Budget Lines” means the following budget lines reflected in the Borrower’s Clasificador Presupuestario de Ingresos y Gastos del Sector Público as approved by the Ministry of Economy and Finance, and the equivalent budget lines and groups approved for the following years of Project implementation:

   (a) Part 1.1. of the Project: budget groups: 71 (Gastos en Personal para Inversión), 73 (Bienes y Servicios para Inversión), 77 (Otros Egresos de Inversión), 78 (Transferencias y Donaciones para Inversión), and 84 (Bienes de Larga Duración);

   (b) Part 1.2. of the Project: budget groups: 78 (Transferencias y Donaciones para Inversión), 78 (Transferencias y Donaciones para Inversión), 71 (Gastos en Personal para Inversión), and 73 (Bienes y Servicios para Inversión);

   (c) Part 1.3. of the Project: budget groups: 780106 (Transferencias y Donaciones a Entidades Financieras Públicas).

4. “BanEcuador” means the Borrower’s public bank, created by Executive Decree No. 677 of May 13, 2015, to provide innovative and effective financial products and services that are socially and financially sustainable and contribute to the inclusion and improvement of the quality of life of small and medium sized urban and rural producers and to strengthen associativity.

5. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.

6. “Disbursement-Linked Indicators” or “DLIs” means the set of indicators set forth in Schedule 4 to this Agreement, and for which the operational definitions and respective verification mechanisms are included in the Verification Protocols and in the Operational Manual.

7. “EEPs Spending Report” means the report prepared by the Borrower, through MIES and SENPLADES, in accordance with the Disbursement and Financial Information Letter and set forth in the Operational Manual, on the spending status of the EEPs in relation to the Approved Budget Lines.
8. “Eligible Beneficiaries” means the households which are eligible for each of the Selected Social Safety Net Programs, according to the criteria defined in the Operational Manual.

9. “Eligible Expenditure Programs” or “EEPs” means a set of defined expenditures, acceptable to the Bank, within the Approved Budget Lines, which are related to: (i) staff that works for the Social Registry, consulting services, non-consulting services, operating costs, insurance, transfers to service providers (universities or others) and equipment and software licenses, implemented by SENPLADES in coordination with MIES and INEC under Part 1.1. of the Project; (ii) staff that works for *Mis Mejores Años* and *Misión Ternura* programs, consulting services, non-consulting services and operating costs and transfers to GADs and NGOs for the provision of services under Part 1.2. of the Project; and (iii) transfers to BanEcuador for the provision of cash-transfers under Part 1.3. of the Project, as further described in the Disbursement and Financial Information Letter and in the Operational Manual (and these expenditures constitute a subset of the Eligible Expenditures defined in the General Conditions).

10. “Environmental and Social Commitment Plan” or the acronym “ESCP” means the Borrower’s environmental and social commitment plan, acceptable to the Bank, dated February 28, 2019, which sets out a summary of the material measures and actions to address the potential environmental and social risks and impacts of the Project, including the timing of the actions and measures, institutional, staffing, training, monitoring and reporting arrangements, and any instruments to be prepared thereunder, and any annexes or schedules to such plan as the ESCP may be revised from time to time, with prior written agreement of the Bank.


12. “GAD” means the Borrower’s Decentralized Autonomous Governments which have political, administrative and financial autonomy at regional, provincial, country or parish levels, and are governed by the principles of solidarity, subsidiarity, equity, interterritorial, integration and citizen participation.

14. “Independent Technical Review Entity” means any of the entities referred to in Section II.2 and 3 of Schedule 2 to this Agreement.

15. “INEC” means Instituto Nacional de Estadísticas y Censos, the Borrower’s Institute of Statistics and Surveys, created by Decree No. 323 dated April 27, 1976.

16. “Inter-Institutional Agreements” means collectively the agreements referred to in Section B of Schedule 2 to this Agreement.

17. “MIES” means Ministerio de Inclusión Económica y Social, the Borrower’s Ministry of Economic and Social Inclusion, or any successor satisfactory to the Bank.


19. “Operational Manual” means the Borrower’s manual dated February 28, 2019, prepared by the Borrower, referred to in Section I.C. of Schedule 2 to this Agreement, as said manual may be amended from time to time by the Borrower, with the agreement of the Bank.


21. “Scalable DLIs” means DLIs 2, 4, 7, 8, 9, 10, 11, 12 and 13, which, in case of non-achievement, or partial achievement thereof, may be disbursed proportionally to its degree of achievement and carried forward to a subsequent withdrawal period as set forth in Section B.2. of Schedule 2 to this Agreement.

22. “Selected Social Safety Net Programs” means the following Borrower’s social programs and modalities and as further defined in the Operations Manual: (a) Bono de Desarrollo Humano Variable (BDH-V); (b) Pensión para Adultos Mayores en Extrema Pobreza - Mis Mejores Años (PMMA); (c) Early childhood services, including Centros de Desarrollo Infantil - CDI, Creciendo con Nuestros Hijos - CNH and Círculos de Cuidado, Recreación y Aprendizaje - CCRA; (d) Care services for the elderly, including: Atención Domiciliaria, Centros Gerontológicos de Atención Diurna, Centros Gerontológicos Residenciales and Espacios Activos de Revitalización, Recreación, Socialización y Encuentro; and (ii) under Part 1.3. of the Project: Bono de Desarrollo Humano (BDH) and Crédito de Desarrollo Humano (CDH).

23. “SENPLADES” means Secretaría Nacional de Planificación y Desarrollo, the Borrower’s National Secretariat of Planning, or any successor which will manage the Social Registry, satisfactory to the Bank.

24. “Signature Date” means the later of the two dates on which the Borrower and the Bank signed this Agreement and such definition applies to all references to “the date of the Loan Agreement” in the General Conditions.

25. “Social Registry” means the Borrower’s cadaster of social, economic and demographic information, registered individually and at family’s level, that allows institutions to identify
their target populations, to better focus efforts towards groups in conditions of poverty, which is managed by SENPLADES according to the Borrower’s Executive Decree No. 129, dated August 2017.


27. “Verification Protocols” means the set of protocols setting forth the actions and mechanisms required for verification of DLIs, agreed with the Bank and included in the Operational Manual and in the Disbursement and Financial Information Letter, as the same may be amended from time to time with the agreement of the Bank.