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GRANT NUMBER 4270-SS

# Financing Agreement

(Provision of Essential Health Services Project)

between

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

and

**UNITED NATIONS CHILDREN'S FUND**  
(for the benefit of the people of the Republic of South Sudan)

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**GRANT NUMBER 4270-SS**

**FINANCING AGREEMENT**

AGREEMENT dated as of the Signature Date between the INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”) and the UNITED NATIONS CHILDREN’S FUND (“Recipient” or “UNICEF”).

WHEREAS: (A) the Republic of South Sudan (“South Sudan”) has requested the Association for financing of projects in the Republic of South Sudan using various modalities for provision of financing, and the Association has informed South Sudan about the Project described in Schedule 1 to this Agreement (“Project”) and that the Association is providing financing to International Committee of the Red Cross (“ICRC”) and UNICEF to implement the Project;

(B) South Sudan, through a letter dated September 27, 2018, to the Association (“South Sudan Letter Requesting Repayment of Preparation Advances”), has requested that the proceeds of the financing for the Project be used to repay the Republic of South Sudan’s outstanding balances owing to the Association under Preparation Advance Numbers Q9090, Q9320 and Q9460 for the Institutional Development and Capacity Building Project, Energy Sector Technical Assistance Project and the Agricultural Development and Food Security Project respectively;

(C) In response to the request, and in order to account for the outstanding balances under the Preparation Advances owed to the Association, UNICEF has been requested by the Association to facilitate the foregoing repayment, which has been included as Part 4 of the Project;

(D) Pursuant to the Basic Cooperation Agreement between the Recipient and the South Sudan dated July 9, 2011, the Recipient and South Sudan agreed on the framework for cooperation in programmes for the benefit of children and women within South Sudan consistent with the relevant resolutions, decisions, regulations and rules and policies of the competent organs of the United Nations, including the Executive Board of the Recipient; and

(E) By an agreement between the Association and ICRC, the Association has agreed to make a grant to assist in financing Parts 1.2, 2.2 and 3.2 of the Project to be implemented by ICRC; and

WHEREAS the Association has agreed, on the basis, *inter alia*, of the foregoing, to extend to the Recipient a grant for the benefit of the people of the Republic of South Sudan upon the terms and conditions set forth in this Agreement.

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) apply to and form part of this Agreement.
- 1.02. The Financial Management Framework Agreement (“FMFA”) (as defined in the Appendix to this Agreement) constitutes an integral part of this Agreement. Without limitation to the provisions of the FMFA, in respect to the Recipient:
- (a) all references in the FMFA to “Letter Agreement(s)” shall be references to this Agreement;
  - (b) all references in the FMFA to “Trust Fund Grant(s)” shall be references to the Financing referred to in Section 2.01 of this Agreement;
  - (c) all references in the FMFA to “the UN” and to a “UN Organization”, including in particular reference in Section 7 of the FMFA, shall be references to “the United Nations Children's Fund”;
  - (d) all references in the FMFA to “the UN Controller” shall be references to the “UNICEF Comptroller”;
  - (e) all references in the FMFA to the “UN Financial Regulations” shall be references to the “UNICEF Financial Regulations and Rules”; and
  - (f) all references in the FMFA to the “Parties” in Section 11 of the FMFA shall be a reference to the “Association” and the “United Nations Children's Fund” or, alternatively, to the “Association” on the one hand, and the “United Nations Secretariat”; and all “UN Organisations” (as that term is defined in the FMFA) on the other, if a satisfactory consolidated review mechanism is established.
- 1.03. 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, a grant, which is deemed as Concessional Financing for purposes of the General Conditions, in an amount equivalent to fifty-two million eight hundred thousand Special Drawing Rights (SDR 52,800,000) (“Financing”), with:
- (a) SDR 48,900,000 to be made available to the Recipient to assist in financing Parts 1.1, 2, and 3 of the Project described in Schedule 1 to this Agreement (“Project”); and

- (b) SDR 3,900,000 to be applied by the Association (in accordance with Section V.A of Schedule 2 to this Agreement) to finance the repayment of the Preparation Advances described in Part 4 of the Project, which advances were made to South Sudan.
- 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 Payment Currency is Dollar.

### **ARTICLE III — PROJECT**

- 3.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall carry out Parts 1.1, 2, 3 of the Project (“Respective Parts”) in accordance with the provisions of Article V of the General Conditions, FMFA, and Schedule 2 to this Agreement.

### **ARTICLE IV — REMEDIES OF THE ASSOCIATION**

- 4.01. The Additional Events of Suspension consist of the following:
- (a) By notice sent to the Recipient pursuant to sub-paragraph (iv) of paragraph 9 of the FMFA, the Association confirms that it reasonably believes the actions taken previously in accordance with said Section 9 have not been sufficient to fulfill its fiduciary obligation to ensure that the proceeds of the Financing were used for eligible expenditures.
  - (b) By notice sent to the Recipient pursuant to sub-paragraph (iii)(a) of paragraph 10 of the FMFA, the Association confirms that alternative financial management arrangements mutually acceptable to the Association and the Recipient were not reached within the period stipulated therein.
  - (c) The Association determines at any time that a reference in either paragraph 1 or paragraph 3 of Section II.B of Schedule 2 to this Agreement to the Recipient’s financial regulations and rules is incomplete or inaccurate in any material respect.
  - (d) The Association for any reason revokes the application of the Alternative Procurement Arrangements set forth in Section III.1 of Schedule 2 to this Agreement.

### **ARTICLE V — EFFECTIVENESS**

- 5.01. The Agreement will become effective as of the Date of Signature.

**ARTICLE VI — REPRESENTATIVE; ADDRESSES**

- 6.01. The Recipient's Representative is the UNICEF Representative for the Republic of South Sudan.
- 6.02. For purposes of Section 11.01 of the General Conditions:

- (a) the Recipient's address is:

UNICEF, the United Nations Children's Fund  
South Sudan

(Attention: The Representative)

and

With a copy to:

UNICEF, the United Nations Children's Fund  
UNICEF House  
Three United Nations Plaza  
New York, New York 10017

(Attention: The Comptroller)

- (b) the Recipient's Electronic Address is:

E-mail:

mayoya@unicef.org

(Attention: The Representative)

Facsimile:

+ 1 (212) 326-7004

(Attention: The Comptroller)

E-mail:

tasare@unicef.org

6.03. For purposes of Section 11.01 of the General Conditions:

(a) the Association's address is:

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

(b) the Association's Electronic Address is:

Telex:	Facsimile:
248423 (MCI)	1-202-477-6391

AGREED as of the Signature Date.

INTERNATIONAL DEVELOPMENT ASSOCIATION

By:



\_\_\_\_\_  
Authorized Representative

Name: Carolyn Turk

Title: Country director

Date: 28-Feb-2019

UNITED NATIONS CHILDREN'S FUND

By:



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Authorized Representative

Name: Mohamed Ayoya

Title: Representative South Sudan

Date: 28-Feb-2019

## **SCHEDULE 1**

### **Project Description**

The objective of the Project is to increase access to an essential package of health services in the Republic of South Sudan, with a particular focus on the former states of Upper Nile and Jonglei.

The Project consists of the following parts:

#### **Part 1. Delivery of Essential Health Services**

1. Delivery of high impact essential health services to the populations of the former states of Upper Nile and Jonglei, including:
  - (a) Provision of essential health services to the populations of the former states of Upper Nile and Jonglei, in the following areas: (i) child health services including health education, immunizations, integrated management of neonatal and childhood diseases, clinical care, case management, rapid initial response and referrals, nutrition screening and management; (ii) maternal and neonatal health services, including health education; (iii) basic and comprehensive emergency obstetric and newborn care; and (iv) sexual and gender based violence services; and additionally, through procurement and distribution of essential medicines and supplies.
  - (b) Provision of goods, training, technical assistance to Implementing Partners aimed at enhancing emergency preparedness and response.
  - (c) Provision of goods and technical assistance to enhance Implementing Partners' system for disease surveillance and early response, to enhance coordinated community-level surveillance systems, and to establish an early warning system for infectious disease trends prediction.
  - (d) Provision of training to improve the quality and supervision of activities under this Part 1.1.
2. Delivery of essential health services to highly vulnerable and conflict-affected populations in selected facilities, with a focus on the former states of Upper Nile and Jonglei, including:
  - (a) At the primary care and community levels, in the following areas: (i) curative care for frequent diseases and injuries; (ii) women wellness care related to child bearing, including: ante- and postnatal care, safe and clean deliveries, basic emergency obstetric and newborn care, post-

abortion care and family planning; (iii) child preventive care, including vaccinations; and (iv) mental health and psychological support.

- (b) At the secondary care level: (i) outpatient and emergency services; (ii) surgical services; (iii) non-surgical services; (iv) clinical support services; and (v) non-clinical support services.

## **Part 2. Monitoring, Evaluation and Learning**

1. Establishment and operation of a national unified health service delivery monitoring approach, including: (a) development of a master health services functionality database for services provided by donors in the Republic of South Sudan; (b) collection and development of verified data in the health services sector; (c) generation of health service functionality bulletins and/or reports; (d) development of service availability and performance indicators; (e) carrying out of periodic technical reviews; and (f) carrying out of quality assurance sampling to measure the coverage of key health services delivery indicators.
2. Contributing to research and learning initiatives to enhance service delivery in challenging environments.

## **Part 3. Emergency Preparedness and Response**

1. Provision of support for the national Ebola Virus Disease Preparedness and Response Plan through provision of required training, technical assistance and goods.
2. Provision of support for immediate response to an Eligible Crisis or Emergency, as needed.

## **Part 4. Repayment of Project Preparation Advances**

Facilitating, at the request of South Sudan, the repayment of project preparation advances made by the Association to the Republic of South Sudan under Preparation Advance Numbers Q9090, Q9320 and Q9460 for the Institutional Development and Capacity Building Project, Energy Sector Technical Assistance Project and the Agricultural Development and Food Security Project respectively.



## SCHEDULE 2

### Project Execution

#### Section I. Implementation Arrangements

##### A. Implementation Arrangements

1. The Recipient shall carry out its Respective Parts of the Project with due diligence and efficiency and in conformity with appropriate administrative, financial, technical, environmental and social standards and practices, and in accordance with the Safeguards Instruments, if applicable, and the provisions of this Agreement, and shall promptly provide the funds, facilities, services and other resources required for said Parts of the Project.
2. The Recipient shall, at all times during the implementation of the Project, ensure:
  - (a) compliance with any laws and/or regulations of the Republic of South Sudan applicable to it with regard to its operations within the territory of the Republic of South Sudan; and
  - (b) that all governmental clearances and approvals, as may be required to allow its staff to operate and undertake activities under its Respective Parts of the Project within the Republic of South Sudan, are obtained.
3. In order to ensure the proper implementation of Part 3.2 of the Project, the Recipient shall take the following measures:
  - (a) The Recipient shall:
    - (i) prepare and furnish to the Association an operations manual which shall set forth detailed implementation arrangements for Part 3.2 of the Project (“CERC Part”) consistent with the Recipient’s standard operational arrangements for emergency preparedness and response, including: (A) specific activities which may be included in the CERC Part, Eligible Expenditures required therefor (“Emergency Expenditures”), and any procedures for such inclusion; (B) procurement methods and procedures for Emergency Expenditures to be financed under the CERC Part being the Recipient’s standard procurement methods and procedures for emergency preparedness and response; (C) documentation required for withdrawals of Emergency Expenditures; (D) environmental and social safeguards management frameworks for the CERC Part, consistent with the Association’s policies on the matter; and (E) any other

arrangements necessary to ensure proper coordination and implementation of the CERC Part;

- (ii) afford the Association a reasonable opportunity to review said proposed operations manual;
  - (iii) take into account the Association's comments on the proposed operations manual and promptly adopt such operations manual for the CERC Part as agreed with by the Association ("CERC Operations Manual");
  - (iv) ensure that the CERC Part is carried out in accordance with the CERC Operations Manual; provided, however, that in the event of any inconsistency between the provisions of the CERC Operations Manual and this Agreement, the provisions of this Agreement shall prevail; and
  - (v) not amend, suspend, abrogate, repeal or waive any provision of the CERC Operations Manual without prior agreement with the Association.
- (b) The Recipient shall undertake no activities under the CERC Part (and no activities shall be included in the CERC Part) unless and until the following conditions have been met in respect of said activities:
- (i) the Recipient has determined that an Eligible Crisis or Emergency has occurred, has furnished to the Association a request to include said activities in the CERC Part in order to respond to said Eligible Crisis or Emergency, and the Association has agreed with such determination, accepted said request and notified the Recipient thereof; and
  - (ii) the Recipient has prepared and disclosed all safeguards instruments required for said activities, in accordance with the CERC Operations Manual, the Association has approved all such instruments, and the Recipient has implemented any actions which are required to be taken under said instruments.
- (c) Notwithstanding any provision to the contrary in this Agreement, Emergency Expenditures required for the CERC Part shall be procured in accordance with the procurement methods and procedures set forth in the CERC Operations Manual.
4. The Recipient shall carry out its Part 1.1 of the Project in the former states of Upper Nile and Jonglei, and in the event that any activity is proposed to be implemented

in areas beyond the said former states, the Recipient shall obtain the Association's prior written consent before commencement of implementation in said areas.

**B. Anti-Corruption**

1. The Recipient shall carry out its Respective Parts of the Project subject to the provisions of the General Conditions and the following undertakings:
  - (a) In the event that the Recipient or the Association becomes aware of information that indicates the need for further scrutiny of the implementation of the Recipient's Respective Parts of the Project or any expenditures under the proceeds of the Financing allocated to said Parts (including non-frivolous allegations that corrupt, fraudulent, collusive or coercive practices were undertaken in relation to any activity under the Recipient's Respective Parts of the Project, the Recipient or the Association, as the case may be, shall promptly bring such information to the attention of the appropriate official or officials of the other party, as designated from time to time by each party by written notice to the other party.
  - (b) Following consultation between the Recipient and the Association, the Recipient will, to the extent the information relates to actions within the authority or accountability of the Recipient, take timely and appropriate action in accordance with its accountability and oversight framework, including applicable regulations, rules, and administrative instructions, to investigate this information. For greater clarity on this matter, the Recipient and the Association agree and acknowledge that the Recipient has no authority over and accordingly shall have no responsibility to investigate, any government official or officials or consultants of the Association.
  - (c) To the extent such investigation confirms the allegations and to the extent that remedial action is within the authority of the Recipient, the Recipient will take timely and appropriate action in response to the findings of such investigation, in accordance with the Recipient's accountability and oversight framework, including its regulations, rules, policies and procedures.
  - (d) To the extent consistent with the Recipient's accountability and oversight framework, including its regulations, rules, policies and procedures, it will keep the Association regularly informed by agreed means of actions taken pursuant to Section I.B.1(c) immediately above, and the results of the implementation of such actions, including where relevant, details of any recovery of funds or writing-off of losses. The Recipient will use its best efforts, consistent with its regulations, rules, policies and procedures to recover any funds misused. The Recipient will, in consultation with the Association, credit any funds so recovered to the Association or agree with the Association to use these funds for a purpose mutually agreed upon.

2. In the event that the Association reasonably believes that timely and appropriate action has not been taken by the Recipient under Section I.B.1 above, the Association may request direct consultations at a senior level between the Association and the Recipient in order to obtain assurances that the Recipient's oversight and accountability mechanisms have been and are being fully applied in connection with such allegations. The Recipient and the Association take note of the provisions of Article VIII of the United Nations Financial Regulations and Rules and the Recipient's corresponding relevant provisions in its Financial Regulations and Rules.
3. The Association may, following consultation with the Recipient, by notice to the Recipient, suspend the right of the Recipient to make further withdrawals of the proceeds of the Financing if the Association reasonably believes the actions taken by the Recipient under Section I.B.1 above have not been sufficient to fulfill its fiduciary obligation with respect to the Financing.
4. The Association has the right and authority, pursuant to the Anti-Corruption Guidelines, to investigate allegations or other information relating to possible corrupt, fraudulent, coercive, or collusive practices (as defined in Section I.B.7 below) by any third party, and to sanction any such third party which the Association has determined to have engaged in such practices; provided, however, that in this Section, "third party" does not include the Recipient. To the extent consistent with the Recipient's oversight framework, including its regulations, rules, policies and procedures, and if requested by the Association, the Recipient shall cooperate with the Association in the conduct of such investigations.
5. Without limitation to the provisions of paragraph B.1 of this Section, the Association retains the right to conduct an investigation in connection with the information referred to in paragraph B.1(a) of this Section and any information provided to the Recipient regarding allegations of corrupt, fraudulent, coercive, or collusive practice in connection with the bidding process, the award, or implementation of any contract to be or being financed out of the proceeds of the Financing, except that the Association may not investigate the Recipient or other UN agency. In all such investigations the Recipient agrees to facilitate such investigations.
6. (a) The Recipient will require any third party commercial entity with which it has a long-term arrangement or to which it intends to issue a purchase order or a contract financed with the proceeds of the Financing to disclose to the Recipient whether it is subject to any sanction or temporary suspension imposed by any organization within the World Bank Group. The Recipient will give due regard to such sanctions and temporary suspensions, as disclosed to it when issuing contracts during the Project implementation.

- (b) If the Recipient intends to issue a contract in connection with Parts 1.1, 2.1 and 3.1 of the Project with a party that has disclosed to the Recipient that it is under sanction or temporary suspension by the World Bank Group, the following procedure will apply: (i) the Recipient will so inform the Association, before signing such contract; (ii) the Association then may request direct consultations at a senior level, if required, between the Association and the Recipient to discuss the Recipient's decision; and (iii) if after such consultation, the Recipient elects to proceed with the issuance of the contract, the Association may inform the Recipient by notice, that the proceeds of the Financing may not be used to fund such contract.
  - (c) Any portion of the proceeds of the Financing received by the Recipient under this Agreement that may have been used to fund a contract in respect of which the World Bank Group has exercised its right under paragraph 6(b)(iii) immediately above, shall be used to defray the amounts requested by the Recipient in any subsequent Withdrawal Application, if any, or will be treated as a balance in favor of the Recipient in the calculation of the final balances prior to the Closing Date.
7. For the purposes of the provisions of this Section I.B, the following definitions of sanctionable practices shall apply:
- (a) "corrupt practice" is the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party;
  - (b) "fraudulent practice" is any act or omission, including misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain financial or other benefit or to avoid an obligation;
  - (c) "collusive practice" is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party; and
  - (d) "coercive practice" is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party.

**C. Safeguards**

1. The Recipient confirms that: (a) there will be no major civil works under the Recipient's Respective Parts of the Project; (b) that the only civil works to be undertaken will be minor rehabilitation and/or repair works and such minor civil works shall be carried out within the perimeters of the existing facilities; and (c) the Recipient will implement its Respective Parts of the Project without any displacement resulting in Affected Person(s).
2. The Recipient shall ensure that: (a) any contractors (including subcontractors) carrying out its Respective Parts of the Project shall perform their work in accordance with the technical and environmental practices applicable to UNICEF programmes including the Project, including as set forth with regard to the Project specifically in the ESMF and SA, and under terms of reference and with qualifications and experience necessary to satisfactorily carry out the design and implementation of said Respective Parts, and all of which shall have been shared with the Association; and (b) any contracts under its Respective Parts of the Project include the Recipient's standard requirements with regard to conduct, including gender-based violence and sexual exploitation and abuse risk mitigation measures.
3. The Recipient shall:
  - (a) ensure that its Respective Parts of the Project is carried out with due regard to appropriate health, safety, social, and environmental practices and standards, and in accordance with the ESMF and the SA.
  - (b) for each activity under the Project for which the ESMF provides for the preparation of a Medical Waste Management Plan (MWMP):
    - (i) proceed to have such MWMP: (A) prepared and disclosed in accordance with the ESMF; (B) consulted upon adequately with people affected by the Project as per the ESMF, and submitted to the Association for review and approval; and (C) thereafter adopted, prior to implementation of the activity;
    - (ii) take such measures as shall be necessary or appropriate to ensure compliance with the requirements of such MWMP in a manner satisfactory to the Association; and
    - (iii) except as the Association shall otherwise agree in writing, the Recipient shall ensure that none of the provisions of the Safeguards Instruments be abrogated, amended, repealed, suspended or waived. In case of any inconsistencies between the provisions of any of the Safeguards Instruments and the

provisions of this Agreement, the provisions of this Agreement shall prevail.

4. The Recipient shall include in the Project Reports referred to in Section II of this Schedule adequate information on the implementation of the Safeguards Instruments, giving details of:
  - (a) measures taken in furtherance of the Safeguards Instruments;
  - (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of the Safeguards Instruments; and
  - (c) remedial measures taken or required to be taken to address such conditions and to ensure the continued efficient and effective implementation of the Safeguards Instruments.
  
5. The Recipient shall:
  - (a) as soon as reasonably practicable, but no later than five (5) calendar days after it becomes aware of the occurrence of a Significant Event, inform the Association by any electronic means of the nature of the incident, accident, or circumstance and any effect or impact (whether on-site or off-site) resulting or likely to result there from;
  - (b) as soon as reasonably practicable, but no later than thirty (30) days after it becomes aware of such Significant Event, provide the Association with a summary report that includes a description of such Significant Event, and the measures, if any, that the Recipient is taking or plans to take to address such Significant Event to the extent the cause of such Significant Event is within the scope of the Recipient's control and to mitigate the risk of any future similar event to the extent the cause of such Significant Event is within the scope of the Recipient's control; and
  - (c) keep the Association informed of the on-going implementation of the said measures and plans.

**D. External Performance Monitoring**

1. With respect to Part 2.1 of the Project, the Recipient shall carry out the performance monitoring in accordance with terms of reference agreed with the Association and procure a monitoring agent in accordance with the provisions of Section III of this Schedule.

**Section II. Project Monitoring, Reporting and Evaluation**

**A. Project Reports**

1. The Recipient shall furnish to the Association each Project Report not later than forty-five (45) days after the end of each six (6) months period during the period of implementation of the Project, covering such six months period.

**B. Accounts and Audits**

1. The Recipient shall maintain or cause to be maintained a financial management system, including a separate account in its records, adequate to reflect the transactions related to Parts 1.1, 2 and 3 of the Project, in accordance with the requirements of the document United Nations Children's Fund Financial Regulations and Rules, E/ICEF/2011/AB/L.8 (hereinafter referred to as the Financial Regulations).
2. The Recipient shall prepare, on a semi-annual basis or other period agreed with the Association, interim unaudited financial reports related to Parts 1.1, 2 and 3 of the Project, in accordance with accounting standards established pursuant to the Financial Regulations and in its standard format for such reports. The first said interim unaudited financial reports shall be furnished to the Association no later than forty-five (45) days after the end of the first six months after the Effective Date, and shall cover the period from the incurrence of the first expenditure to the end of such six (6) months period, thereafter, each interim unaudited financial report shall be furnished to the Association not later than forty-five days after each subsequent six (6) months period, and shall cover such six (6) months period.
3. The Recipient shall ensure that the audit of its Parts 1.1, 2 and 3 of the Project is governed by: (a) Article XIV of the Financial Regulations; and (b) the Financial Management Framework Agreement.
4. The Recipient shall retain all records (contracts, orders, invoices, bills, receipts and other documents) evidencing all expenditures in respect of which withdrawals of the proceeds of the Financing Parts 1.1, 2 and 3 of the Project were made in accordance with its standard procedures with regard to retention of such documents.

**Section III. Procurement**

1. All works, goods, non-consulting services and consulting services required for carrying out its Respective Parts of the Project and financed out of the proceeds of the Financing shall be procured in accordance with the applicable procurement policies, procedures, regulations and practices of the Recipient, as such procurement policies, procedures, regulations and practices have been assessed and found to be acceptable by the Association, and the Procurement Plan.



2. If the Association determines that the procurement policies, procedures, regulations, or practices of the Recipient have been modified, suspended, or waived such that they are no longer acceptable to the Association, the Association may, in addition to the Association’s other rights under the Agreement, revoke the procurement provisions set out in paragraph 1 of this Section III.

**Section IV. Withdrawal of the Proceeds of the Financing**

**A. General**

Without limitation upon the provisions of Article II of the General Conditions and in accordance with the Disbursement and Financial Information Letter:

- (a) the Recipient may withdraw the proceeds of the Financing to finance Eligible Expenditures in Categories (1) and (2) below; and
- (b) the Recipient agrees for the Association to apply the proceeds of the Financing to finance the Eligible Expenditures in Category (3) for the repayment of the Preparation Advances,

all up to the percentage set forth against each Category of the following table:

<b>Category</b>	<b>Amount of the Grant Allocated (expressed in SDR)</b>	<b>Percentage of Expenditures to be Financed (exclusive of Taxes)</b>
(1) Goods, non-consulting services, consulting services, training, Operating Costs under Parts 1.1, 2 and 3.1 of the Project.	48,900,000	100%
(2) Emergency Expenditures under Part 3.2 of the Project (CERC Part)	0	100%
(3) Refund/repayment of Preparation Advances	3,900,000	Amount payable pursuant to Section 2.07(a) of the General Conditions
<b>TOTAL AMOUNT</b>	<b>52,800,000</b>	

**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 \$5,000,000 may be made for payments made prior to this date but on or after August 15, 2018, for Eligible Expenditures under Category 1; or
  - (b) for the purpose of any payment to persons or entities, or for any import of goods, if such payment or import is prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations; or
  - (c) under Category (2) for Emergency Expenditures under Part 3.2 of the Project unless and until the Association is satisfied that all the following conditions have been met in respect of the said activities:
    - (i) the Recipient has determined that an Eligible Crisis or Emergency has occurred, has furnished to the Association a request to include said activities in the CERC Part in order to respond to said Eligible Crisis or Emergency, and the Association has agreed with such determination, accepted said request and notified the Recipient thereof;
    - (ii) the Recipient has prepared and disclosed all safeguards instruments required for said activities, and the Recipient has implemented any actions which are required to be taken under said instruments, all in accordance with the provisions of Section I.B.4 of Schedule 2 to this Agreement;
    - (iii) the Recipient's coordinating authority has adequate staff and resources, in accordance with the provisions of Section I.B.4 of this Schedule 2 to this Agreement, for the purposes of said activities; and
    - (iv) the Recipient has adopted a CERC Operations Manual in form, substance and manner as agreed with the Association and the provisions of the CERC Operations Manual remain or have been updated in accordance with the provisions of Section I.B.4 of this Schedule 2 so as to be appropriate for the inclusion and implementation of said activities under the CERC Part.
2. All withdrawals shall be made on the basis of the interim unaudited financial reports referred to in II.B.2 of this Schedule and under such other terms and conditions as

agreed between the Association and the Recipient and as specified in the Disbursement and Financial Information Letter.

3. Without prejudice to the provisions of Section 6.07 (newly re-numbered as Section 6.05 of the General Conditions), in the event that the Association requests a refund of any portion of the proceeds of the Financing that has been used in a manner inconsistent with the provisions of this Agreement, the Association and the Recipient will adopt the procedures set forth in paragraph 9 of the FMFA.
4. It is understood that the Recipient shall not be responsible for, and shall have no obligation to initiate or continue implementation of, the pertinent activities under Parts 1.1, 2 and 3 of the Project unless the proceeds of the Financing allocated to such activities have been made available to the Recipient. Notwithstanding any suspension of the Financing or any portion of the Financing under this Agreement, the Association will make available to the Recipient the portion of the proceeds of the Financing required to meet the obligations entered into by the Recipient prior to the date on which the Recipient shall have received the notice of suspension.
5. The Closing Date is December 31, 2021.

**Section V. Other Undertakings**

**A. Repayment of Preparation Advances**

1. The Recipient agrees that the Association shall, in accordance with Section 2.07 of the General Conditions, withdraw and pay to itself from the proceeds of the Financing the amount required to repay the outstanding balance of the Preparation Advances. The amount so withdrawn by the Association to repay the Preparation Advances shall not be considered as having been received or expended by the Recipient.

## APPENDIX

### Section I. Definitions

1. “Affected Person” means a person or entity who, on account of the execution of the Project, has experienced or would experience direct economic and social impacts caused by: (a) the involuntary taking of land resulting in: (i) relocation or loss of shelter; (ii) loss of assets or access to assets; or (iii) loss of income sources or means of livelihood, whether or not such person must move to another location; or (b) the involuntary restriction of access to legally designated parks and protected areas, resulting in adverse impacts on the livelihood of such person; and, “Affected Persons”, means more than one such Affected Person.
2. “Alternative Procurement Arrangement” or “APA” means the special procurement arrangements set forth in Section III.1 of Schedule 2 to this Agreement, said APA as introduced under the Association’s new Procurement Framework, which came into effect in July 2016.
3. “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.
4. “Category” means a category set forth in the table in Section IV.A of Schedule 2 to this Agreement.
5. “CERC Operations Manual” means with respect to Part 3.2 of the Project, the operations manual referred to in Section I.A.3 of Schedule 2 to this Agreement for the CERC Part of the Project.
6. “CERC Part of the Project” and “CERC Part” each means Part 3.2 of the Project.
7. “Ebola Virus Disease Preparedness and Response Plan” means the Government of South Sudan’s national plan for Ebola Virus Disease preparedness and response.
8. “Eligible Crisis or Emergency” means with respect to Part 3.2 of the Project, an event that has caused, or is likely to imminently cause, a major adverse economic and/or social impact to the Republic of South Sudan, associated with a natural or man-made crisis or disaster.
9. “Emergency Expenditure” means with respect to Part 3.2 of the Project, any of the Eligible Expenditures set forth in the CERC Operations Manual in accordance with the provisions of Section I.A.3 of Schedule 2 to this Agreement and required for the activities included in the CERC Part of the Project.

10. “Environmental and Social Management Framework” or “ESMF” means the framework prepared and adopted by the Recipient dated December 11, 2018, disclosed in-country, and on the Association’s website on the same date, setting out the modalities to be followed in assessing the potential adverse environmental and social impacts of Project activities including impacts, and risks of gender-based violence and sexual exploitation and abuse and the measures to be taken to offset, reduce or mitigate such adverse impacts, including measures that endeavor to prevent and respond to gender-based violence and sexual exploitation and abuse; as well as for the preparation of environmental and social management plans, as such framework may be amended by the Recipient from time to time, with the prior written agreement of the Association.
11. “Financial Management Framework Agreement” or “FMFA” means the Financial Management Framework Agreement between the World Bank and the United Nations, to which UNICEF is a co-signatory pursuant to the letter signed by UNICEF on November 4, 2016.
12. “Financial Regulations and Rules” means the following financial management regulations and rules of the Recipient: *The United Nations Children’s Fund Financial Regulations and Rules E/ICEF/2011/AB/L.8*.
13. “General Conditions” means the “International Development Association General Conditions for IDA Financing, Investment Project Financing”, dated December 14, 2018, with the modifications set forth in Section II of this Appendix.
14. “Implementing Partners” means non-governmental organizations contracted by Recipients to provide technical assistance, supplies and financial support as part of overall capacity development to strengthen the delivery of basic health services.
15. “MWMP” means Medical Waste Management Plan to be prepared in accordance with the ESMF setting forth guidelines, procedures and measures for improvement of management of health care waste, including and disposal of such health water as such plan, as such plan may be amended from time to time with the written agreement of the Association.
16. “Operating Costs” means: (a) the incremental operating costs arising under Component 1 of the Project on non-staff related cost, including vehicle operation and transport for field teams, rental of office space and supplies, utilities, and communication charges; and (b) the indirect costs incurred by the Recipient as a function and in support of the Project, which cannot be traced unequivocally to the deliverables and technical outputs of its Respective Parts of the Project and which is 5% of the overall Financing received by the Recipient.
17. “Preparation Advance” means, individually, the advance referred to in Section 2.07(a) of the General Conditions, granted by the Association to the Republic of

South Sudan pursuant to each of the following letter agreements signed on behalf of the Association and on behalf of the Republic of South Sudan: (a) letter dated April 11, 2014, for Preparation Advance No. Q9090 in respect of the Institutional Development and Capacity Building Project; (b) letter dated October 6, 2014, for Preparation Advance No. Q9320 in respect of Energy Sector Technical Assistance Project; and (c) letter dated December 5, 2014, for Preparation Advance No. Q9460 in respect of Agricultural Development and Food Security Project, and which advances are to be repaid out of the proceeds of the Financing pursuant to the South Sudan Letter Requesting Repayment of Preparation Advances as well as the Recipient's request set out in Section V.A of Schedule 2 to this Agreement.

18. "Procurement Plan" means the Recipient's procurement plan for the project prepared by the Recipient and the same shall be updated from time to time as necessary with the concurrence of the Association.
19. "Respective Parts" means with respect to UNICEF, Parts 1.1, 2, and 3 of the Project design and with respect to ICRC, Parts 1.2, 2.2 and 3.2 of the Project.
20. "Safeguards Instruments" means collectively, the ESMF, MWMP, and SA, and "Safeguards Instrument" means any of such Safeguards Instruments.
21. "Significant Event" means: (a) any significant social, labor, health and safety, security or environmental incident, accident, or circumstance involving the Project, including, without limitation, explosions, spills, and any workplace accidents that result in death, serious or multiple injury, material pollution, or any violent labor unrest or dispute between the Borrower or security forces (assigned to protect the Project) and local communities or any gender-based violence, sexual exploitation or abuse suffered by beneficiaries receiving health services at a health facility under the Project; or (b) any other event or circumstance having, or which could reasonably be expected to have, a material adverse effect on the implementation or operation of the Project in accordance with the ESMF.
22. "Signature Date" means the later of the two dates on which the Recipient and the Association signed this Agreement and such definition applies to all references to "the date of the Financing Agreement" in the General Conditions.
23. "Social Assessment" or "SA" means the assessment prepared and adopted by the Recipient dated December 11, 2018, disclosed in-country, and the Association's website on the same date setting out the assessment to evaluate the project's potential positive and adverse effects on the indigenous peoples, including details of the specific actions and measures to mitigate such risks as well as measures that endeavor to prevent and respond to discrimination, gender-based violence and sexual exploitation and abuse; respective institutional responsibilities, a monitoring framework, and consultations and feedback procedures (including the

description of a Grievance Redress Mechanism) as such assessment may be amended from time to time, with the prior written approval of the Association.

24. “South Sudan Letter Requesting Repayment of Preparation Advances” means the letter set out in paragraph B of the Preamble to this Agreement.

## **Section II. Modifications to the General Conditions**

The General Conditions are hereby modified as follows:

1. Section 2.06 (*Financing Taxes*) is deleted in its entirety.
2. Paragraphs (b) and (c) of Section 3.18 (*Manner of Payment*) are deleted.
3. In Section 5.11 (*Visits*), paragraph (a) is modified to read as follows:  
“Section 5.11. *Visits*  
  
(a) The Recipient shall take all action necessary or useful to facilitate the Member Country affording all reasonable opportunity for representatives of the Association to visit any part of its territories where the Project is being implemented for purposes related to the Grant or the Project.”
4. Section 3.02, 3.14, 3.15, 3.16, 3.19, 5.07, 5.09, 5.13, 5.14 are deleted in their entirety.
5. Section 6.01 (*Financial and Economic Data*) is deleted in its entirety and the remaining section in Article VI is renumbered accordingly.
6. Section 8.02 (*Suspension by the Association*) is modified as follows:
  - (a) Paragraph (j) on *Membership* is modified to read as follows:  
“(j) *Membership*. The Member Country or any member of the Recipient: (i) has been suspended from membership in or ceased to be a member of the Association; or (ii) has ceased to be a member of the International Monetary Fund.”
  - (b) Paragraph (m) is renumbered as paragraph (n), and a new paragraph (m) is added to read as follows:  
“(m) *Interference*. The Member Country: (i) has taken or permitted to be taken any action which would prevent or interfere with the execution of the Project or the performance by the Recipient of its obligations under the Financing Agreement; or (ii) has failed to afford a reasonable opportunity for representatives of the Association to visit any part of its

territory where the Project is being implemented for purposes relating to Grant or the Project.”

7. The Appendix (Definitions) is modified as follows:

(a) Paragraph 79 (Member Country) is modified to read as follows:

“79. “Member Country” means the member of the Association in whose territory the Project is carried out or any such member’s political or administrative subdivisions. If such activity is carried out in the territory of more than one such member, “Member Country” refers separately to each such member.”

(b) Paragraph 94 (Recipient) is modified to read as follows:

“94. “Recipient” means the party to the Financing Agreement to which the Grant is extended.”