Financing Agreement

(eTransform Ghana Project)

between

REPUBLIC OF GHANA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated JULY 30, 2014
FINANCING AGREEMENT

AGREEMENT dated July 20, 2014, entered into between REPUBLIC OF GHANA ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association"). The Recipient and the Association hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

1.01. The General Conditions (as defined in the Appendix to this Agreement) constitute an integral part of this Agreement.

1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in the Appendix to this Agreement.

ARTICLE II — FINANCING

2.01. The Association agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a credit in the amount of sixty four million two hundred thousand Special Drawing Rights (SDR 64,200,000) (variously, "Credit" and "Financing"), to assist in financing the project described in Schedule 1 to this Agreement ("Project").

2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section IV of Schedule 2 to this Agreement.

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

2.04. The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%).

2.05. The Interest Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to one and a quarter percent (1.25%) per annum.

2.06. The Payment Dates are December 15 and June 15 in each year.

2.07. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.

2.08. 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 the Project in accordance with the provisions of Article IV of the General Conditions.

3.02. Without limitation upon the provisions of Section 3.01 of this Agreement, and except as the Recipient and the Association shall otherwise agree, the Recipient shall ensure that the Project is carried out in accordance with the provisions of Schedule 2 to this Agreement.

ARTICLE IV — EFFECTIVENESS; TERMINATION

4.01. The Additional Condition of Effectiveness consists of the following, namely, that the Recipient has adopted and submitted to the Association, the Project Implementation Manual, in form and substance satisfactory to the Association.

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

4.03. For purposes of Section 8.05 (b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty (20) years after the date of this Agreement.
ARTICLE V — REPRESENTATIVE; ADDRESSES

5.01. The Recipient’s Representative is its Minister responsible for finance.

5.02. The Recipient’s Address is:

Ministry of Finance
P.O. Box MB40
Accra, Ghana

Cable: ECONOMICON
Telex: 2205 MIFAEP GH
Facsimile: 233-30-2667069

5.03. The Association’s Address is:

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

Cable: INDEVAS
Telex: 248423 (MCI)
Facsimile: 1-202-477-6391
Washington, D.C.
AGREED at Accra, Ghana, as of the day and year first above written.

REPUBLIC OF GHANA

By

Authorized Representative

Name: Hon. Seth E. Terkper
Title: Minister of Finance

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Authorized Representative

Name: Yusupha B. Crookes
Title: Country Director
SCHEDULE 1

Project Description

The objective of the Project is to improve the efficiency and coverage of Recipient’s government service delivery using ICT.

The Project consists of the following parts:

Part A: Enabling Environment for Electronic Government and Business

1. Developing and facilitating access to open government data, including: (a) provision of software and hardware for developing a cloud storage and back-up facility; (b) developing administrative and institutional arrangements for data protection and electronic transactions; (c) developing policies and regulations, datasets, and capacity building for data analytics; and (d) upgrading any shared facilities for open data.

2. Carrying out of a program of activities for eligible public institutions and private entities (Innovation Grants Beneficiaries), to promote an enabling environment for entrepreneurial participation and training in launching new products and services, scaling up e-applications and services, and increasing uptake of e-applications, through the provision of grants (Innovation and Training Grants) for developing mobile hubs (mHubs) and mobile laboratories (mLabs).

3. Preparing a gap analysis for electronic applications and building the capacity of the Data Protection Commission and other key policy and regulatory institutions for regulation of new information and content in the ICT, defining standards, policies, laws and relevant regulations, including cybersecurity, consumer protection, privacy and data protection.

Part B: Support for Upgrading National Identification System and Online Verification Services

1. Carrying out the update and implementation of the national electronic identity system, including: (a) distribution of identification cards; (b) review and update of National Identification Authority’s back-office systems; (c) deployment of mobile registration workstations, mobile verification systems and related software; and (d) carrying out a needs assessment, a strategic plan and an implementation plan for the National Identification Authority; and (e) upgrading the National Identification System with modern technologies and systems that meet international standards.

2. Digitization and integration of the National Identification System into user agency operations, including: (a) carrying out of the digitization of related paper-based public records in key agencies; (b) provision of software and
Part C: Scale up of Applications to Improve Service Delivery in Priority Sectors

1. Developing a strategy for using ICT solutions to improve delivery of health services, including: (a) consolidating, mapping and synergizing the existing infrastructures, systems and solutions used for connectivity and e-applications, and recommending a more integrated and interoperable approach for eHealth and mHealth systems; (b) setting up three medical call centers; (c) addressing connectivity for selected district and regional health centers; and (d) digitizing medical records at selected public health facilities.

2. Carrying out the (a) development and maintenance of an educational portal as a platform for: (i) teachers, students, parents and researchers access to good practice lesson plans, curricular content, teaching and learning aids, on-line advice, research and other educational materials, and (ii) knowledge exchange with national and international networks and for participation in relevant discussion forums; (b) addressing connectivity for selected secondary schools; and (c) provision of training to selected teachers on new educational technologies, including the use of computer/internet aided education.

3. Enhancing e-service applications, including expansion of services such as online applications for issuance and processing of permits and licenses, visas and national identity cards.

4. Provision of hardware and software, including building the institutional capacity for the implementation of e-parliamentary, e-justice, e-procurement and e-immigration systems.

Part D: Project Management Support

Strengthening the institutional capacity of the Ministry of Communication (MOC), PIU, National Information Technology Agency and ITES Secretariat for coordination, communication, management, implementation, supervision and monitoring and evaluation of Project activities.
SCHEDULE 2

Project Execution

Section 1. Implementation Arrangements

A. Institutional Arrangements

1. Inter-ministerial Oversight Committee

   (a) The Recipient shall at all times during the implementation of the Project maintain the Inter-ministerial Oversight Committee, with a composition, mandate, functions and resources satisfactory to the Association, as set forth in the Project Implementation Manual.

   (b) Without limitation to sub-paragraph 1(a) of immediately above, the Inter-ministerial Oversight Committee shall be responsible for, inter alia: (i) providing strategic guidance and ensure effective coordination across MDAs, Ministries and private sector; (ii) taking key policy decisions to ensure smooth implementation of the Project and achievement of its objective; (iii) facilitating the coordination of Project activities, and making recommendations for removal of any obstacles to the implementation of the Project; (iv) reviewing and approving the Project reports prepared by the Project Implementation Unit; and (v) approving the Innovation or Training Plans in accordance with the Innovation and Training Grants Manual.

2. Technical Committee

   (a) The Recipient shall at all times during the implementation of the Project maintain a cross-sector committee (the Technical Committee) under the Ministry of Communication, with a composition, functions, resources and responsibilities satisfactory to the Association, as set forth in the Project Implementation Manual.

   (b) Without limitation to Section 1.A.1 of this Schedule, the Technical Committee shall be responsible for, inter alia: (i) providing technical guidance, including providing review of technical documents; (ii) review Innovation or Training Plans submitted by the Project Implementation Unit, in accordance with the Innovation and Training Grants Manual; (iii) recommending the qualifying Innovation or Training Plans to the Inter-ministerial Oversight Committee for approval; and (iv) reviewing and providing comments on all Project technical reports prepared by the Project Implementation Unit and recommending said reports to the Inter-ministerial Oversight Committee for approval.
3. Project Implementation Unit

(a) The Recipient shall at all times during the implementation of the Project, maintain a project implementation unit (the “Project Implementation Unit”) within the Ministry of Communications with functions, staffing, resources and responsibilities satisfactory to the Association, as set forth in the Project Implementation Manual, for purposes of day-to-day management and implementation of the Project, and efficient communication and coordination of the Project implementation with the participating MDAs and key institutions.

(b) Without limitation to the provisions of paragraph 2(a) immediately above, the PIU shall be responsible for, inter alia: (i) fiduciary (i.e., procurement, disbursement and financial management), environmental and social safeguards compliance and coordination under the Project; and (ii) day-to-day administration of overall planning, coordination, monitoring, evaluation, reporting and communication of the activities under the Project; (iii) assisting ITES Secretariat and National Information Technology Agency on project management, procurement, supervision of implementation, and technical advice as required; (iv) monitoring overall progress of implementation on a monthly basis and evaluating Project performance; and (v) acting as the main focal point for communication with technical teams within respective MDA, all in accordance with the provisions of this Agreement and the Project Implementation Manual.

4. National Information Technology Agency (NITA) and Information Technology enabled Services Secretariat (ITES Secretariat)

The Recipient shall at all times during the implementation maintain the NITA and the ITES Secretariat, respectively, as technical teams for the Project, with resources, satisfactory to the Association, for the purpose of providing technical support for day-to-day implementation and supervision of Parts A, B and C of the Project.

5. Data Protection Commission

The Recipient shall at all times during the implementation of the Project, maintain the Data Protection Commission with resources, satisfactory to the Association, for the purpose of managing the security and privacy of individual and personal data.
6. **Innovation and Training Grants Manager(s)**

   (a) The Recipient shall appoint and maintain, at all times during the implementation of the Project, a firm or a consortia or an individual to serve as the Innovation and Training Grants Manager(s), with terms of reference and functions satisfactory to the Association.

   (b) Without limitation upon the provisions of paragraph 6 (a) immediately above, the Innovation and Training Grants Manager(s) shall be responsible for: (i) appraising all proposed Innovation or Training Plans; (ii) approving, subject to the Project coordinator's no-objection, Innovation or Training Grants, which fall below the threshold for approval by the Project coordinator, or recommending for approval by the Project coordinator or the Technical Committee and the Inter-ministerial Oversight Committee, respectively, as the case may be, Innovation or Training Grants, which exceed the thresholds for approval by the Project coordinator, as specified in the Innovation and Training Grants Manual; and (iii) disbursing, administering, managing, monitoring and reporting to the Technical Committee or the Inter-ministerial Oversight Committee on all approved Innovation or Training Grants, all in accordance with the provisions and procedures set forth in Part D of this Section and further detailed in the Innovation and Training Grants Manual.

B. **Implementation Arrangements**

**Project Implementation Manual and Innovation and Training Grants Manual**

1. The Recipient shall carry out the Project (except Part A.2 of the Project) in accordance with the provisions of the Project Implementation Manual, containing, *inter alia*, detailed arrangements and procedures for: (a) institutional coordination and day-to-day execution of the Project; (b) Project budgeting, disbursement and financial management; (c) procurement; (d) environmental and social safeguard guidelines; (e) monitoring, evaluation, reporting and communication; and (f) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the Project.

2. The Recipient shall carry out Part A.2 of the Project in accordance with the provisions of the Innovation and Training Grants Manual, containing, *inter alia*: (a) detailed arrangements and procedures for management, supervision, monitoring, evaluation and reporting of the respective Innovation or Training Plans; (b) disbursement and funds flow arrangements; (c) procedures for procurement and financial management setting forth, *inter alia*, the procurement and financial management responsibilities of the respective Innovation Grant
Innovation Grant Beneficiaries; (d) guidelines for the carrying out of the respective Innovation or Training Plans, including, the eligibility criteria for determining the Innovation Grant Beneficiaries, and detailed procedures for the selection, approval and implementation of respective Innovation or Training Plans; and (e) a sample format for Innovation Grant Agreement and Training Grant Agreement.

3. The Recipient shall not amend, abrogate, waive or fail to enforce any provision of the Project Implementation Manual, or the Innovation and Training Grants Manual, without the prior written agreement of the Association; provided, however, that in case of any conflict between the arrangements and procedures set out in any of said manuals and the provisions of this Agreement, the provisions of this Agreement shall prevail.

C. Anti-Corruption

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

D. Innovation Grants and Training Grants

1. General

The Recipient shall appraise, approve and monitor Innovation or Training Plans and administer the Innovation Grants and the Training Grants in accordance with the provisions and procedures set forth or referred to in this Part D and in more detail in the Innovation and Training Grants Manual.

2. Eligibility Criteria for Innovation and Training Plans

No proposed Innovation or Training Plan shall be eligible for financing under an Innovation Grant or a Training Grant out of the proceeds of the Financing unless the Inter-Ministerial Oversight Committee has determined, on the basis of an appraisal conducted by the Innovation and Training Grants Manager(s) in accordance with this sub-paragraph and the guidelines set forth in the Innovation and Training Grants Manual, that the proposed Innovation or Training Plan satisfies the eligibility criteria specified below and set forth or referred to in more detail in the Innovation and Training Grants Manual, which shall include, inter alia, the following:

(a) The proposed Innovation or Training Plan shall fall within the areas described under Part A.2 of the Project, and shall exclude any activities and expenditures specified as ineligible in the Innovation and Training Grants Manual;
the proposed Innovation or Training Plan shall be initiated by a Beneficiary which has the capacity to enter into a binding contract under the laws of the Recipient, and which has met the other eligibility criteria specified or referred to in the Innovation and Training Grants Manual, including the Beneficiary’s agreement and ability to provide a minimum contribution in cash or in-kind, as specified in the Innovation and Training Grants Manual;

(c) the Beneficiary has adequate technical, financial management and procurement capacity to implement the proposed Innovation or Training Plan in compliance with the guidelines set forth in the Innovation and Training Grants Manual; and

(d) the Beneficiary shall be eligible to receive a subsequent Innovation Grant or Training Grant if it has completed the preceding Innovation or Training Plan to the satisfaction of the Inter-ministerial Oversight Committee, in accordance with the terms of the relevant Innovation Grant Agreement, or a Training Grant Agreement.

3. Approval of Innovation or Training Plans

The Recipient shall cause the Innovation and Training Grants Manager to carry out an appraisal of the compatibility of each proposed Innovation or Training Plan in accordance with the eligibility criteria and the technical, financial and procurement guidelines and procedures set forth in the Innovation and Training Grants Manual and, based on such appraisal: (a) in coordination with the Project coordinator recommend to the Technical Committee and the Inter-ministerial Oversight Committee, respectively, for approval the Innovation or Training Plan in accordance with the Innovation and Training Grants Manual; and (b) without limitation to the foregoing, obtain the Association’s no-objection prior to approving Innovation or Training Plans whose investment cost exceeds the threshold specified for that purpose in the Innovation and Training Grants Manual.

4. Terms and Conditions of Innovation Grants and Training Grants

An Innovation or Training Plan shall be carried out pursuant to an Innovation Grant Agreement, or a Training Grant Agreement, to be concluded between the Recipient’s authorized representative, and the respective Beneficiary, prior to commencement of any activity under such Innovation or Training Plan, all under terms and conditions described or referred to in more detail in the Innovation and Training Grants Manual and satisfactory to the Association, which, inter alia, shall include the following:
(a) the description of the activities to be implemented, including the outputs and performance targets to be achieved, and the arrangements for monitoring, evaluating and reporting on the implementation of the Innovation or Training Plan;

(b) the obligation of the respective Beneficiary to contribute, in cash and/or in-kind, a minimum percentage of the projected Innovation or Training Plan cost as specified in the Innovation and Training Grants Manual;

(c) the modalities for the transfer of funds by the Innovation and Training Grants Manager to the respective Beneficiary for the financing of the Innovation or Training Plan;

(d) the obligation of the respective Beneficiary to: (i) carry out the Innovation or Training Plan with due diligence and efficiency and in accordance with sound technical, engineering, environmental, financial, and managerial practices, and in accordance with the provisions of the Anti-corruption Guidelines and the pertinent provisions of this Agreement; and (ii) maintain adequate records to reflect, in accordance with sound accounting practices, the operations, resources and expenditures relating to the Innovation or Training Plan;

(e) the requirement that the goods and consultants’ services to be financed from the proceeds of the Innovation Grant or the Training Grant shall be procured in accordance with procedures ensuring efficiency and economy and in accordance with the provisions of Section III of this Schedule, and shall be used exclusively in the carrying out of the Innovation or Training Plan;

(f) the right of the Innovation and Training Grants Manager, on behalf of the Recipient, to: (i) inspect by itself, or jointly with the Association, if the Association shall so request, the goods, included in the Innovation or Training Plan, the operations thereof and any relevant records and documents; (ii) obtain all information as the Recipient, or the Association, shall reasonably request regarding the administration, operation and financial conditions of the respective Innovation or Training Plan; and (iii) suspend or terminate the right of the pertinent Beneficiary to use the proceeds of the Innovation Grant or Training Grant upon failure by said Beneficiary to perform any of its obligations under the Innovation Grant Agreement, or the Training Grant Agreement; and

(g) the obligation of the Innovation and Training Grants Manager, on behalf of the Recipient, to ensure that the Innovation or Training Plan is carried out in accordance with the Anti-Corruption Guidelines.
5. **Administration of Innovation Grant Agreements and Training Grant Agreements**

The Recipient shall cause the Innovation and Training Grants Manager to exercise its rights and carry out its obligations under the Innovation Grant Agreements or the Training Grant Agreements in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing, and, except as the Association shall otherwise agree, the Recipient shall not permit the Innovation and Training Grants Manager to assign, amend, abrogate, waive or terminate or fail to enforce any Innovation Grant Agreement or any Training Grant Agreement, or any provision thereof.

E. **Environmental Safeguards**

1. The Recipient shall ensure that the Project is carried out in accordance with the Environmental and Social Management Framework (ESMF), including the guidelines, rules and procedures defined in said ESMF.

2. The Recipient shall ensure that the following actions are taken in a manner acceptable to the Association:

   (a) if an Environmental and Social Management Plan (ESMP) or similar safeguard instrument would be required for any works on the basis of the ESMF: (i) such ESMP or similar safeguard instrument shall be prepared in accordance with the requirements of the ESMF, disclosed locally and furnished to the Association; and (ii) the pertinent works shall be carried out in accordance with such ESMP or similar safeguard instrument as approved by the Association; and

   (b) ensure that all measures required for carrying out the recommendations of the ESMF and the pertinent ESMP are taken in a timely manner.

3. Without limitation to its other reporting obligations under this agreement and under Section 4.08 of the General Conditions, the Recipient shall include in the Project Reports referred to in Section II.A of this Schedule, adequate information on the implementation of the ESMF and any ESMP.

F. **Annual Work Plans and Budgets**

1. The Recipient shall prepare and furnish to the Association for its approval, not later than September 15 of each year during the implementation of the Project, a proposed annual work plan and budget containing all activities proposed to be carried out under the Project in the following Fiscal Year.

2. Each such proposed annual work plan and budget shall specify among the activities, any training activities that may be required under the Project,
including: (a) the type of training; (b) the purpose of the training; (c) the personnel to be trained; (d) the institution or individual who will conduct the training; (e) the location and duration of the training; (f) the cost of the training; and (g) the outcome and impact of the training.

3. The Recipient shall afford the Association a reasonable opportunity to exchange views with the Recipient on each such proposed annual work plan and budget, and thereafter to implement the Project or cause it to be implemented with due diligence in accordance with such annual work plan and budget as shall have been approved by the Association (“Annual Work Plan”).

G. Specific Implementation Covenant

1. The Recipient shall not later than twelve (12) months after the Effective Date, in form and substance satisfactory to the Association, carry out a gaps analysis of the existing legal and regulatory framework and, thereafter, take necessary remediation measures to ensure the Security and Privacy of Individual and Personal Data within the scope of the Project.

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 4.08 of the General Conditions and on the basis of indicators acceptable to the Association. Each Project Report shall cover the period of six (6) calendar months, and shall be furnished to the Association not later than forty-five (45) days after the end of the period covered by such report.

B. Financial Management, Financial Reports and Audits

1. The Recipient shall maintain or cause to be maintained a financial management system in accordance with the provisions of Section 4.09 of the General Conditions.

2. The Recipient shall prepare and furnish to the Association not later than forty-five (45) days after the end of each calendar quarter, interim unaudited financial reports for the Project covering the quarter, in form and substance satisfactory to the Association.

3. The Recipient shall have its Financial Statements audited in accordance with the provisions of Section 4.09 (b) of the General Conditions. Each audit of the Financial Statements shall cover the period of one fiscal year of the Recipient. The audited Financial Statements for each such period shall be furnished to the Association not later than six (6) months after the end of such period.
Section III.  **Procurement**

A.  **General**

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

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

3.  **Definitions.** The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the Association of particular contracts, refer to the corresponding method described in 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, Works and Non-consulting Services**

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

2.  **Other Methods of Procurement of Goods, Works and Non-consulting Services.** The following methods, other than International Competitive Bidding, may be used for procurement of goods, works and non-consulting services for those contracts specified in the Procurement Plan: (a) Limited International Bidding; (b) National Competitive Bidding, subject to the provisions of paragraph 3 of this Part B; (c) Shopping; (d) Direct Contracting; and (e) Procurement under Public Private Partnership Arrangements in accordance with procedures which have been found acceptable to the Association.

3.  **Exceptions to National Competitive Bidding Procedures.** The following provisions shall apply to the procurement of goods and works under National Competitive Bidding procedures: (a) foreign bidders shall be allowed to participate in National Competitive Bidding procedures; (b) bidders shall be given at least one month to submit bids from the date of the invitation to bid or the date of availability of bidding documents, whichever is later; (c) no domestic preference shall be given for domestic bidders and for domestically manufactured
goods; and (d) in accordance with paragraph 1.14(e) of the Procurement Guidelines, each bidding document and contract financed out of the proceeds of the Financing shall provide that: (i) the bidders, suppliers, contractors and subcontractors shall permit the Association, at its request, to inspect their accounts and records relating to the bid submission and performance of the contract, and to have said accounts and records audited by auditors appointed by the Association; and (ii) the deliberate and material violation by the bidder, supplier, contractor or subcontractor of such provision may amount to an obstructive practice as defined in paragraph 1.14(a)(v) of the Procurement Guidelines.

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 methods, other than Quality and Cost-based Selection, may be used for procurement of consultants’ services for those contracts which are specified in the Procurement Plan: (a) Quality-based Selection; (b) Selection under a Fixed Budget; (c) Least Cost Selection; (d) Selection based on Consultants’ Qualifications; (e) Single-source Selection of consulting firms; (f) Procedures set forth in paragraphs 5.2 and 5.3 of the Consultant Guidelines for the Selection of Individual Consultants; and (g) Single-source procedures for the Selection of Individual Consultants.

D. Review by the Association of Procurement Decisions

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

All other contracts shall be subject to Post Review by the Association.

Section IV. Withdrawal of the Proceeds of the Financing

A. General

1. The Recipient may withdraw the proceeds of the Credit in accordance with the provisions of Article II of the General Conditions, this Section, and such additional instructions as the Association shall specify by notice to the Recipient (including the “World Bank Disbursement Guidelines for Projects” dated May 2006, as revised from time to time by the Association and as made applicable to this Agreement pursuant to such instructions), to finance 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 Credit ("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 Credit Allocated (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, non-consulting services, consultants' services, Training and Operating Costs for Parts A (except Part A.2), B, C and D of the Project</td>
<td>62,200,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Works, goods, non-consulting services and consultants' services required for Innovation or Training Plans under Innovation and Training Grants for Part A.2 of the Project</td>
<td>2,000,000</td>
<td>100% of the amount disbursed</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>64,200,000</td>
<td></td>
</tr>
</tbody>
</table>

For the purpose of the table set forth immediately above:

(a) "Operating Costs" means the incremental expenses incurred on account of Project implementation, based on Annual Work Plans approved by the Association pursuant to Section I.F of Schedule 2 to this Agreement, including office equipment and supplies, vehicle operation and maintenance, communication and insurance costs, office administration costs, utilities, travel, per diem and supervision costs of locally contracted employees, excluding the salaries of the Recipient's civil service.

(b) "Training" means the cost associated with the training, workshops and study tours, based on Annual Work Plans approved by the Association pursuant to Section I.F of Schedule 2 to this Agreement, for reasonable expenditures (other than expenditures for consultants’ services), including: (a) travel, room, board and per diem expenditures incurred by trainers and trainees in connection with their training and by non-consultant training facilitators; (b) course
fees; (c) training facility rentals; and (d) training material preparation, acquisition, reproduction and distribution expenses.

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, except that withdrawals up to an aggregate amount not to exceed SDR 3,300,000 equivalent may be made for payments made prior to this date but on or after May 1, 2013, for Eligible Expenditures under Category (1); or

(b) in respect of any Innovation Grant or any Training Grant under Category (2), unless the Recipient has: (i) contracted the Innovation and Training Grants Manager(s) with qualifications and terms of reference satisfactory to the Association, in accordance with the provisions of Section III of Schedule 2 to this Agreement; and (ii) adopted the Innovation and Training Grants Manual, in a manner acceptable to the Association.

2. The Closing Date is June 30, 2019.
SCHEDULE 3

Repayment Schedule

<table>
<thead>
<tr>
<th>Date Payment Due</th>
<th>Principal Amount of the Credit repayable (expressed as a percentage)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>On each December 15 and June 15:</td>
<td></td>
</tr>
<tr>
<td>commencing December 15, 2018 to and including June 15, 2028</td>
<td>1.65%</td>
</tr>
<tr>
<td>commencing December 15, 2028 to and including June 15, 2038</td>
<td>3.35%</td>
</tr>
</tbody>
</table>

* The percentages represent the percentage of the principal amount of the Credit to be repaid, except as the Association may otherwise specify pursuant to Section 3.03 (b) of the General Conditions.
APPENDIX

Definitions


2. "Annual Work Plan" means the work plan and budget prepared annually by MOC, and the Project Implementing Entity, in accordance with Section I.F.1 of Schedule 2 to this Agreement.


4. "Data Protection Commission" means the commission established and operating pursuant to Data Protection Act, 2012 (Act 843) of the laws of the Recipient.

5. "Environmental and Social Management Framework" or "ESMF" means the Recipient’s framework, acceptable to the Bank, dated July 2013, and published on July 31, 2013, setting forth the modalities for environmental screening and procedures/actions for the preparation and implementation of environmental assessments and management plans under the Project, and such term includes all schedules and annexes to the Environmental and Social Management Framework.

6. "Environmental and Social Management Plan" or "ESMP" means an environmental and social management plan or similar safeguard document, prepared in accordance with the Environmental and Social Management Framework and the provisions of Section I.E.1 of Schedule 2 to this Agreement, and acceptable to the Association, and giving details of the magnitude of the environmental impacts, as well as the specific actions, measures and policies designed to facilitate the achievement of the objective of the Environmental and Social Management Framework, including the budget and cost estimates, and sources of funding, along with the institutional and procedural measures needed to implement such actions, measures and policies.

7. "Fiscal Year" means the fiscal year of the Recipient commencing on January 1 of each year and ending on December 31 of the same year.


9. "ICT" means Information and Communication Technology.
10. “Innovation Grant” means a grant made or proposed to be made out of the proceeds of the Financing by the Recipient, through the Innovation and Training Grants Manager(s) (as hereinafter defined), to an Innovation Grant Beneficiary for the purpose of financing an Innovation or Training Plan in accordance with the provisions of Section I.D of Schedule 2 to this Agreement.

11. “Innovation Grant Agreement” means an agreement entered into, or to be entered into, between the Recipient’s authorized representative, and a Beneficiary, for the purpose of extending an Innovation Grant to such Beneficiary on the terms and conditions set forth or referred to in Section I.D.4 of Schedule 2 to this Agreement.

12. “Innovation Grant Beneficiary” means a public or private sector entity (including a technology training center) or a small and medium enterprise, established and operating under the laws of the Recipient, or an individual engaged in IT or ITES, which has met the eligibility criteria specified in the Innovation and Training Grants Manual (as hereinafter defined) and, as a result, has been extended, or is to be extended, an Innovation Grant or a Training Grant (all as hereinafter defined) for the carrying out of an Innovation or Training Plan (as hereinafter defined).

13. “Innovation and Training Grants Manager(s)” means a consortium or a firm or an individual referred to in Section I.A.6 of Schedule 2 to this Agreement, to be recruited by the Recipient in accordance with the provisions of Section III of Schedule 2 to this Agreement to assist the Recipient in managing the Innovation Grants and Training Grants.

14. “Innovation and Training Grants Manual” means the Recipient’s manual, in form and substance satisfactory to the Association, and referred to in Section I.B.2 of Schedule 2 to this Agreement, as said manual may be amended from time to time with the agreement of the Association.

15. “Innovation or Training Plan” means a set of specific activities carried out or to be carried out by a Beneficiary under Part A.2 of the Project, and financed or proposed to be financed out of the proceeds of the Financing through an Innovation Grant or a Training Grant.

16. “ITES Secretariat” means the Recipient’s secretariat established within the MoC with the responsibility for information technology enabled services.

17. “MDAs” means the Recipient’s ministries, departments and agencies.


22. "Project Implementation Unit" or "PIU" means the Project implementing unit referred to in Section I.A.3 of Schedule 2 to this Agreement.

23. "Project Implementation Manual" means the manual, satisfactory to the Association, and referred to in Section 5.01 of this Agreement, and Section I.B.1 of Schedule 2 to this Agreement, as the same may be amended from time to time with agreement of the Association.

24. "Procurement Plan" means the Recipient's procurement plan for the Project, dated August 15, 2013, 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.

25. "Security and Privacy of Individual and Personal Data" means, inter alia, that personal data are obtained only for lawful means, with knowledge of the data subject; data collected are relevant for the purpose for which it is used and are complete and current; the purpose for which data are collected is timely specified; data are not disclosed for purposes other than those specified, except with the permission of data subject or by law; data are secure and protected against risk of compromise, destruction, unauthorized disclosure or misuse; data subjects are able to obtain data from the data controller or otherwise confirm data relating to the data subject, be able to correct data, and be notified of any data breach; remedies of data breach and other complaints are provided.

26. "Technical Committee" means the Project's technical team referred to in Section I.A.2 of Schedule to this Agreement.

27. "Training Grant" means a grant made or proposed to be made out of the proceeds of the Financing by the Recipient, through the Innovation and Training Grants Manager(s), to an Innovation Grant Beneficiary for the purpose of financing a
Training Plan in accordance with the provisions of Section I.D of Schedule 2 to this Agreement.

28. "Training Grant Agreement" means an agreement entered into, or to be entered into, between the Recipient's authorized representative, and an Innovation Grant Beneficiary, for the purpose of extending a Training Grant to such Beneficiary on the terms and conditions set forth or referred to in Section I.D.4 of Schedule 2 to this Agreement.