POWER OF NUTRITION TRUST FUND
Grant Agreement

(Additional Financing for Health Sustainable Development Goals
Program-for-Results)

between

FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA

and

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
AND INTERNATIONAL DEVELOPMENT ASSOCIATION
(acting as administrator of the Power of Nutrition Trust Fund)

Dated May 18, 2017
GRANT NUMBER TF0A4705

POWER OF NUTRITION TRUST FUND
GRANT AGREEMENT

AGREEMENT dated May 18, 2017, entered into between:
REPUBLIC OF ETHIOPIA ("Recipient"); and INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT and INTERNATIONAL DEVELOPMENT
ASSOCIATION (variously, "World Bank"), acting as administrator of the Power of
Nutrition Trust Fund.

WHEREAS:

(A) Pursuant to the Original Financing Agreement (as defined in the Appendix
to this Agreement), the Association agreed to extend a credit in an amount equivalent to
SDR 65,100,000 ("Credit No. 5209") to the Recipient to assist in financing the Original
Program;

(B) Pursuant to the Grant Agreement dated March 29, 2013, signed between
the Association, acting as administrator of the Multi-Donor Trust Fund for Health Results
Innovation, and the Recipient ("HRITF Agreement", the Association agreed to extend a
grant in an amount equivalent to $20,000,000 ("HRITF Grant") to the Recipient, on terms
and conditions in said agreement, to assist in financing the Original Program;

(C) The Recipient has requested the World Bank for additional financing for
the purpose of providing additional financing for activities related to the Original Program;

(D) Pursuant to a Financing Agreement of even date herewith, between the
Association and the Recipient ("Additional Financing Agreement"), the Association has
agreed to make a credit to the Recipient in an amount equivalent to SDR 110,600,000, on
terms and conditions in said agreement, as additional financing for the Operation (as
defined in the Appendix to this Agreement);

(E) Pursuant to a Grant Agreement of even date herewith, between the
Association, acting as administrator of the Global Financing Facility for Every Woman
Every Child, and the Recipient ("GFF Co-financing Agreement"), the Association has
agreed to extend a grant to the Recipient in the amount of $20,000,000 ("GFF Grant"), on
terms and conditions in said agreement, as cofinancing for the Operation (as defined in the
Appendix to this Agreement), and in conjunction with the additional financing to be made
available from the Association for the same Operation; and

(F) The World Bank, acting as administrator of the Power of Nutrition Trust
Fund, has agreed, on the basis, inter alia, of the foregoing, to extend the Grant (as defined
below) to the Recipient upon the terms and conditions set forth in this Agreement;
The Recipient and the World Bank hereby agree as follows:

Article I
Standard Conditions; Definitions

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

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

Article II
The Operation

2.01. The Recipient declares its commitment to the objective of the Operation. To this end, the Recipient shall carry out the Program through MoH; and the Project through MoH and VERA, all in accordance with the provisions of Article IV of the Standard Conditions.

2.02. Without limitation upon the provisions of Section 2.01 of this Agreement, and except as the Recipient and the World Bank shall otherwise agree, the Recipient shall ensure that the Operation is carried out in accordance with the provisions of Schedule 2 to this Agreement.

Article III
The Grant

3.01. The World Bank agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a grant in an amount not to exceed twenty million United States Dollars ($20,000,000) (variously, “Grant” and “PN Grant”) to assist in financing:

(a) the program as described in Part I (“Program”) of Schedule 1 to this Agreement; and

(b) the project as described in Part II (“Project”) of Schedule 1 to this Agreement,

(the Program and the Project hereinafter jointly referred to as the “Operation”).

3.02. The Recipient may withdraw the proceeds of the Grant in accordance with Section IV of Schedule 2 to this Agreement.
3.03. The Grant is funded out of the abovementioned trust fund for which the World Bank receives periodic contributions from the donors to the trust fund. In accordance with Section 3.02 of the Standard Conditions, the World Bank’s payment obligations in connection with this Agreement are limited to the amount of funds made available to it by the donors under the abovementioned trust fund, and the Recipient’s right to withdraw the Grant proceeds is subject to the availability of such funds.

**Article IV**

**Additional Remedies**

4.01. The Additional Events of Suspension referred to in Section 4.02 (k) of the Standard Conditions consists of the following:

(a) the World Bank has determined after the Effective Date referred to in Section 5.03 of this Agreement that prior to such date but after the date of this Agreement, an event has occurred which would have entitled the World Bank to suspend the Recipient’s right to make withdrawals from the Grant Account if this Agreement had been effective on the date such event occurred; and

(b) a situation has arisen which shall make it improbable that the Program, or a significant part of it, will be carried out.

**Article V**

**Effectiveness; Termination**

5.01. This Agreement shall not become effective until evidence satisfactory to the World Bank has been furnished to the World Bank that the conditions specified below have been satisfied.

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

(b) The Co-financing Agreements have been executed and delivered and all conditions precedent to its effectiveness or to the right of the Recipient to make withdrawals under the Co-financing Agreements (other than the effectiveness of this Agreement) have been fulfilled.

5.02. As part of the evidence to be furnished pursuant to Section 5.01(a), there shall be furnished to the World Bank an opinion or opinions satisfactory to the World Bank of counsel acceptable to the World Bank or, if the World Bank so requests, a certificate satisfactory to the World Bank of a competent official of the Recipient, showing the following matter, namely, on behalf of the Recipient, that this Agreement has been duly authorized or ratified by, and executed and delivered on its behalf and is legally binding upon it in accordance with its terms.
5.03. Except as the Recipient and the World Bank shall otherwise agree, this Agreement shall enter into effect on the date upon which the World Bank dispatches to the Recipient notice of its acceptance of the evidence required pursuant to Section 5.01 ("Effective Date"). If, before the Effective Date, any event has occurred which would have entitled the World Bank to suspend the right of the Recipient to make withdrawals from the Grant Account if this Agreement had been effective, the World Bank may postpone the dispatch of the notice referred to in this Section until such event (or events) has (or have) ceased to exist.

5.04. This Agreement and all obligations of the parties under it shall terminate if it has not entered into effect by the date ninety (90) days after the date of this Agreement, unless the World Bank, after consideration of the reasons for the delay, establishes a later date for the purpose of this Section. The World Bank shall promptly notify the Recipient of such later date.

Article VI
Recipient's Representative; Addresses

6.01. The Recipient’s Representative referred to in Section 7.02 of the Standard Conditions is its Minister responsible for finance.

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

Ministry of Finance and Economic Cooperation
P. O. Box 1905
Addis Ababa
Federal Democratic Republic of Ethiopia

Telex: 21147
Facsimile: (251-11) 1551355

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

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

Telex: 248423 (MCI) or 64145 (MCI)
Facsimile: 1-202-477-6391
AGREED at Addis Ababa, Federal Democratic Republic of Ethiopia, as of the day and year first above written.

FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA

By

[Signature]

Authorized Representative

Name: Abraham Tekesse (PhD)

Title: Minister

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT/INTERNATIONAL DEVELOPMENT ASSOCIATION

(acting as Administrator of the Power of Nutrition Trust Fund)

By

[Signature]

Authorized Representative

Name: Carolyn Turk

Title: Country Director for Ethiopia, Sudan and South Sudan
SCHEDULE 1

Operation Description

The objective of the Operation is to improve the delivery and use of a comprehensive package of maternal and child health services. The Operation specifically targets certain SDG-relevant results which are deemed to be achievable by virtue of activities to be undertaken by the Recipient under the auspices of the Recipient's Health Sector Transformation Plan (formerly known as Health Sector Development Program or HSDP).

The Operation consists of the Program and Project as follows:

Part I: The Program

The Program is comprised of various high priority activities which constitute a sub-set of the Health Sector Transformation Plan ("HSTP") and which are determined from time to time pursuant to the guidance of the Joint Consultative Forum. Said activities shall: (i) focus on improved coverage, results and quality of services, and on geographic regions that face unique challenges in health service delivery and health systems development; (ii) be under the direct control of the Recipient to implement at the Federal level; (iii) be eligible for financing under the SDG Performance Fund; and (iv) be relevant to the achievement of a specific set of agreed results, both substantive and process-oriented.

The key Program substantive results sought to be achieved are the following which correspond to the Disbursement Linked Results ("DLRs") for the DLIs numbered as shown below and as set out in the table in Section V of Schedule 2 to this Agreement:

- DLI (1): increase in deliveries attended by Skilled Health Providers (%);
- DLI (2): increased Pentavalent 3 vaccine coverage for children aged 12-23 months (%);
- DLI (3): increased Antenatal Coverage (%);
- DLI (4): increased contraceptive prevalence rate (%);
- DLI (10): increased Vitamin A Supplementation for Children (%); and
- DLI (11): increased use of Iron and Folic Acid during pregnancy (%).

The above mentioned substantive results are sought to be augmented and enhanced under the Program by the targeting of the following identified high priority process-oriented results which correspond to the Disbursement Linked Results ("DLRs") for the DLIs numbered as shown below and as set out in the table in Section V of Schedule 2 to this Agreement:
DLI (5): Health Centers timely reporting of HMIS data;
DLI (7): Development and implementation of Annual Rapid Facility Assessment;
DLI (8): Enhanced transparency of PFSA procurement process;
DLI (9): Improved fiduciary management of PFSA;
DLI (12): Growth Monitoring and Promotion services at health facilities;
DLI (13): Quality of Health Services enhancement measures;
DLI (14): Community Based Health Insurance schemes roll out; and
DLI (15): Community Engagement in Health Service Delivery.

Part II: The Project

The Project consists of the following activities:

(a) Provision of technical assistance to, and capacity building of, VERA, including support for conversion of the civil registration and vital statistics ("CRVS") system from a paper-based registration system to an electronic registration system as well as support implementing the CRVS system, including safeguarding and archiving of registration documents; and procurement of equipment to facilitate the registration of vital events.

(b) Provision of technical assistance to, and capacity building of, the MOH in its support of the National Nutrition Program II (NNP II) and other related health system strengthening activities, including in coordinating multi-sectoral nutrition actions at federal, regional, zonal and woreda levels; strengthening NNP II monitoring systems, and operational research and evaluation focusing on community-based nutrition services.

(c) Provide technical assistance to, and capacity building of, selected agencies and entities, including in the areas of primary healthcare, reproductive health, gender-based violence, early childhood development, fiduciary management, and health care financing.
SCHEDULE 2
Operation Execution

Section I. Implementation Arrangements

A. Fiduciary, Environmental and Social Systems for the Program

Without limitation on the provisions of Article III of the Standard Conditions, the Recipient shall carry out the Program, or cause the Program to be carried out, in accordance with financial management, procurement and environmental and social management systems acceptable to the World Bank ("Program Fiduciary, Environmental and Social Systems") which are designed to ensure that:

1. the Grant proceeds are used for their intended purposes, with due attention to the principles of economy, efficiency, effectiveness, transparency, and accountability; and

2. the actual or potential adverse environmental and social impacts of the Program are identified, avoided, minimized, or mitigated, as the case may be, all through an informed decision-making process.

B. Program Institutional and Implementation Arrangements

1. Program Institutions

Without limitation on the generality of Part A of this Section I, the Recipient shall maintain the agencies, offices, units and branches within or under the MoH and/or under other relevant ministries, each assigned with technical, social and environmental safeguards, fiduciary and other Program related responsibilities for implementing the Program, all with powers, functions, capacity, staffing and resources appropriate to fulfill their respective functions under the Program.

2. Additional Program Implementation Arrangements

Without limitation on the generality of Part A of this Section I, the Recipient shall carry out the Action Plan in accordance with the schedule set out in the said Action Plan in manner satisfactory to the World Bank.
3. **DLI Verification Arrangements**

The Recipient shall:

(a) Appoint and thereafter maintain, at all times during the implementation of the Program, independent verification agents under terms of reference acceptable to the World Bank ("Independent Verification Agents"), to verify the data and other evidence supporting the achievement of one or more DLIs as set forth in the table in Section V.A.2. of this Schedule 2 and recommend corresponding payments to be made, as applicable.

(b) (i) Ensure that the Independent Verification Agents carry out verification and process(es) in accordance with the Verification Protocol; and
(ii) submit to the World Bank the corresponding verification reports in a timely manner and in form and substance satisfactory to the World Bank.

(c) In the event there is a need for verification services prior to the appointment of the Independent Verification Agents in accordance with paragraph 1 above, put in place adequate interim arrangement satisfactory to the World Bank and approved in writing by the World Bank for verification of the DLIs.

C. **Project Institutional and Implementation Arrangements**

1. The Recipient shall implement the Project as follows:

(a) Part II(a) of the Project through VERA; and

(b) Parts II(b) and II(c) of the Project through MoH.

2. With respect to implementation of Part II(a), the Recipient, through VERA shall carry out the following:

(a) Within three (3) months from the Effective Date, establish, and thereafter maintain during the period of Project implementation, with composition and terms of reference satisfactory to the World Bank and with adequate resources to carry out its responsibilities under the Project, a Technical Committee to provide support on technical issues in Project implementation, monitor and evaluate Project implementation and facilitate exchange of information among stakeholders on best practices.

(b) Within three (3) months from the Effective Date:

   (i) (A) finalize and adopt a Project Implementation Manual ("PIM") detailing Project implementation arrangements, including organizational, administrative, monitoring and
evaluation, environmental and social monitoring and mitigation, financial management and procurement and which PIM shall have been prepared in accordance with terms of reference acceptable to the Bank; and approved by the World Bank; and (B) thereafter, implement the Project in accordance with the PIM and not amend, abrogate, or waive any provision of the PIM without the prior written agreement of the World Bank; and

(ii) establish a Project Coordination Team, with terms of reference, staffing and other resources satisfactory to the World Bank, which team shall be responsible for coordinating Project activities at all levels of implementation, liaising with MoFEC and MOH and other government agencies and proposing any updates to the PIM, and include a financial management specialist, a procurement specialist, a coordinator, and an information technology specialist, all with qualifications and experience satisfactory to the World Bank.

3. With respect to implementation of Parts II(b) and II(c), the Recipient, through MoH shall maintain during the period of Project implementation, with composition and terms of reference satisfactory to the World Bank and with adequate resources to carry out its responsibilities under the Project, a National Nutrition Technical Committee to provide support on technical issues in Project implementation, monitor and evaluate Project implementation and facilitate exchange of information among stakeholders on best practices.

4. The Recipient, through MoH and VERA, shall:

(a) not later than September 30th of each year, prepare and furnish to the World Bank, an annual work plan setting out the program of activities and training proposed for implementation under the Project during the following year, together with a proposed procurement plan and budget for the purpose; and

(b) exchange views with the World Bank on each of the proposed annual work plan, and shall thereafter adopt, and carry out the program of activities and training for the following year as shall have been agreed with the World Bank, as such annual work plan may be subsequently revised during the following year with the prior written agreement of the World Bank.

D. Safeguard Requirements for the Project

In carrying out activities under the Project, the Recipient shall ensure that all technical assistance under the Project, application of whose results would have environmental or social implications, shall only be undertaken pursuant to terms of reference reviewed and found satisfactory by the World Bank, such terms of
reference to ensure that the technical assistance takes into account, and calls for application of the World Bank’s environmental and social safeguards policies and the Recipient’s own laws relating to the environment and social aspects.

E. **Anti-Corruption for the Program**

The Recipient shall carry out the Program in accordance with the provisions of the World Bank’s “Guidelines on Preventing and Combating Fraud and Corruption in Program-for-Results Financing,” dated February 1, 2012, and revised July 10, 2015.

F. **Anti-Corruption for the Project**

The Recipient shall carry out the Project in accordance with the provisions of the World Bank’s “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.

**Section II. Excluded Activities under the Program**

The Recipient shall ensure that the Program excludes any activities which:

(a) in the opinion of the World Bank, are likely to have significant adverse impacts that are sensitive, diverse, or unprecedented on the environment and/or affected people; or

(b) involve the procurement of: (1) works, estimated to cost seventy-five million Dollar (US$75,000,000) equivalent or more per contract; (2) goods, estimated to cost fifty million Dollar (US$50,000,000) equivalent or more per contract; (3) non-consulting services, estimated to cost fifty million Dollar (US$50,000,000) equivalent or more per contract; or (4) consultants’ services, estimated to cost twenty million Dollar (US$20,000,000) equivalent or more per contract; provided however, that such activities may be included if procured under contracts for which the Recipient has requested, and received, prior written approval from the World Bank.

**Section III. Operation Monitoring, Reporting and Evaluation; Audits**

A. **Program Reports**

The Recipient shall monitor and evaluate the progress of the Program and, more particularly, the progress of the Disbursement Linked Indicators and, to that end, shall prepare regular Program Reports in accordance with the provisions of Section 2.06 of the Standard Conditions and in such scope and in such detail as
shall be determined in accordance with the Summary Protocol for Verifying Achievement of DLIs (the Verification Protocol) or the JFA, as the case may be. The Program Reports shall be furnished to the World Bank in accordance with the schedule as shall be specified by the Verification Protocol or the JFA, as the case may be.

B. Program Financial and Procurement Audits

Without limitation on the generality of Section I.E of this Schedule 2 and Section 2.07 of the Standard Conditions, the Recipient shall have the Financial Statements audited in accordance with the provisions of Section 2.07(b) of the Standard Conditions. The Recipient shall maintain, or cause to be maintained, records in respect of procurement activities related to the Program and shall cause said records to be audited annually. Each audit of the Financial Statements and procurement activities shall cover the period of one fiscal year of the Recipient. The audited Financial Statements and procurement audit report for each such period shall be furnished to the World Bank not later than nine (9) months after the end of such period.

C. Verification of Program Results

Without limitation on the provisions of Section III.A of this Schedule, the Recipient shall, prior to each payment under the Program:

(i) carry out, in accordance with the Verification Protocol, an assessment to determine the extent to which the DLR in respect of which payment is requested has been achieved; and

(ii) furnish said assessment to the World Bank for review.

D. Project Reports

The Recipient shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 2.06 of the Standard Conditions and on the basis of indicators acceptable to the World Bank. Each Project Report shall cover the period of one semester and shall be furnished to the World Bank not later than forty-five (45) days after the end of the period covered by such report.
E. 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 2.07 of the Standard Conditions.

2. Without limitation on the provisions of Part D of this Section, the Recipient shall prepare and furnish to the World Bank 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 World Bank.

3. The Recipient shall have its Financial Statements audited in accordance with the provisions of Section 2.07(b) of the Standard Conditions. Each audit of the Financial Statements shall cover the period of one fiscal year of the Recipient. The audited Financial Statements for each such period shall be furnished to the World Bank not later than six (6) months after the end of such period.

Section IV. Procurement Activities under the Project (Part II of Schedule I to this Agreement)

All goods, works, non-consulting services and consulting services required for the Project and to be financed out of the proceeds of the Grant shall be procured in accordance with the requirements set forth or referred to in the Procurement Regulations and the provisions of the Procurement Plan.

Section V. Withdrawal of the Proceeds of the Grant for the Operation

A. General

1. The Recipient may withdraw the proceeds of the Grant in accordance with the provisions of Article III of the Standard Conditions, this Section, and such additional instructions as the World Bank shall specify from time to time by notice to the Recipient (including, in respect of the Eligible Expenditures under Categories (16), (17) and (18)) of the table set out in paragraph 2 below, the “World Bank Disbursement Guidelines for Projects” dated February 2017, as revised from time to time by the World Bank and as made applicable to this Agreement pursuant to such instructions) in order to finance:

   (i) the Program Expenditures, on the basis of the results (“Disbursement Linked Results” or “DLRs”) achieved by the Recipient, as measured against specific indicators (“Disbursement Linked Indicators” or “DLIs”); all as set forth in Categories (1) through (15) of the table in paragraph 2 below of this Part A; and

   (ii) the Project’s Eligible Expenditures as set forth in Categories (16), (17) and (18) of the table in paragraph 2 below.
2. The following table specifies the categories for the withdrawal of the proceeds of the Grant, and allocated amounts for each such Category, including, as the case may be:

(a) the Program’s Disbursement Linked Indicators financed under Categories (1) through (15); and

(b) the Project’s Eligible Expenditures that may be financed out of the proceeds of the Grant under Categories (16) (17) and (18), as well as the financing percentages thereof.

Notwithstanding the foregoing, for purposes of Categories (1) through (15) of the table below, the actual amounts authorized for disbursement (“Allocated Amount”) and/or the formula for their determination upon the achievement of an individual Disbursement Linked Result for any given DLI financed under such Category, are set forth in the table in Schedule 3 to this Agreement:

<table>
<thead>
<tr>
<th>Category (including Disbursement Linked Indicator, as applicable)</th>
<th>Amount of AF Credit Allocated (expressed in SDR)</th>
<th>Amount of GFF Grant Allocated (expressed in US$)</th>
<th>Amount of PN Grant Allocated (expressed in US$)</th>
<th>Percentage of Eligible Expenditures to be financed (inclusive of taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Deliveries attended by skilled birth provider</td>
<td>12,530,000</td>
<td>1,116,500</td>
<td>0</td>
<td>Not applicable</td>
</tr>
<tr>
<td>(1.1) Deliveries attended by skilled birth provider for the Bottom 3 Performing Regions.</td>
<td>11,070,000</td>
<td>1,116,500</td>
<td>0</td>
<td>Not applicable</td>
</tr>
<tr>
<td>(2) Children 12-23 months immunized with Pentavalent 3 vaccine</td>
<td>3,050,000</td>
<td>893,200</td>
<td>0</td>
<td>Not applicable</td>
</tr>
<tr>
<td>(3) Pregnant women receiving at least one antenatal care visit</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>Not applicable</td>
</tr>
<tr>
<td>(3.1) Pregnant women receiving at least four antenatal care visits</td>
<td>11,056,000</td>
<td>1,116,500</td>
<td>0</td>
<td>Not applicable</td>
</tr>
<tr>
<td>(4) Contraceptive prevalence rate</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>Not applicable</td>
</tr>
<tr>
<td>(4.1) Contraceptive prevalence rate (for rural women only)</td>
<td>8,844,000</td>
<td>1,116,500</td>
<td>0</td>
<td>Not applicable</td>
</tr>
<tr>
<td>(5) Health centers reporting HMIS data in time</td>
<td>2,950,000</td>
<td>446,600</td>
<td>0</td>
<td>Not applicable</td>
</tr>
<tr>
<td>Category (including Disbursement Linked Indicator, as applicable)</td>
<td>Amount of AF Credit Allocated (expressed in SDR)</td>
<td>Amount of GFF Grant Allocated (expressed in US$)</td>
<td>Amount of PN Grant Allocated (expressed in US$)</td>
<td>Percentage of Eligible Expenditures to be financed (inclusive of taxes)</td>
</tr>
<tr>
<td>---------------------------------------------------------------</td>
<td>-----------------------------------------------</td>
<td>-----------------------------------------------</td>
<td>-----------------------------------------------</td>
<td>--------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>(7) Development and implementation of Annual Rapid Facility Assessment</td>
<td>4,540,000</td>
<td>0</td>
<td>0</td>
<td>Not applicable</td>
</tr>
<tr>
<td>(8) Transparency of PFSA procurement processes</td>
<td>4,570,000</td>
<td>0</td>
<td>0</td>
<td>Not applicable</td>
</tr>
<tr>
<td>(9.1) Introduction of procurement key performance indicators developed by FPPA at PFSA</td>
<td>1,480,000</td>
<td>0</td>
<td>0</td>
<td>Not applicable</td>
</tr>
<tr>
<td>(9.2) Automate the PFSA core business fiduciary system using Selected Software in PFSA headquarters and in Addis Ababa City</td>
<td>5,160,000</td>
<td>0</td>
<td>0</td>
<td>Not applicable</td>
</tr>
<tr>
<td>(9.3) PFSA submission of backlog audit reports and timely quality audit reports thereafter</td>
<td>4,420,000</td>
<td>0</td>
<td>0</td>
<td>Not applicable</td>
</tr>
<tr>
<td>(10.1) Percent of children age 6-59 months receiving Vitamin A supplements</td>
<td>1,840,000</td>
<td>0</td>
<td>2,500,000</td>
<td>Not applicable</td>
</tr>
<tr>
<td>(10.2) Percent of Woredas in Non-Emerging regions delivering vitamin A supplements to children through routine systems (i.e., health facilities)</td>
<td>1,840,000</td>
<td>0</td>
<td>2,500,000</td>
<td>Not applicable</td>
</tr>
<tr>
<td>(11) Percent of pregnant women receiving iron folic acid tablets</td>
<td>1,840,000</td>
<td>0</td>
<td>2,500,000</td>
<td>Not applicable</td>
</tr>
<tr>
<td>(12.1) Percent of children age 0-23 months participating in Growth Monitoring Promotion (GMP)</td>
<td>5,530,000</td>
<td>0</td>
<td>7,500,000</td>
<td>Not applicable</td>
</tr>
<tr>
<td>(12.2) Percent of Woredas in Emerging Regions transitioning from Enhanced Outreach Services (EoS) to Community Health Days (CHDs)</td>
<td>1,840,000</td>
<td>0</td>
<td>2,500,000</td>
<td>Not applicable</td>
</tr>
<tr>
<td>(13.1) Percent of PHC facilities having all drugs from the MoH list of essential drugs available</td>
<td>5,160,000</td>
<td>0</td>
<td>0</td>
<td>Not applicable</td>
</tr>
<tr>
<td>Category (including Disbursement Linked Indicator, as applicable)</td>
<td>Amount of AF Credit Allocated (expressed in SDR)</td>
<td>Amount of GFF Grant Allocated (expressed in US$)</td>
<td>Amount of PN Grant Allocated (expressed in US$)</td>
<td>Percentage of Eligible Expenditures to be financed (inclusive of taxes)</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>(13.2) Develop and implement postnatal care service directive to improve the quality of postnatal services</td>
<td>0</td>
<td>1,116,500</td>
<td>0</td>
<td>Not applicable</td>
</tr>
<tr>
<td>(13.3) Improve quality of adolescent health services</td>
<td>0</td>
<td>1,563,100</td>
<td>0</td>
<td>Not applicable</td>
</tr>
<tr>
<td>(14.1) Percent of Woredas with functional community-based health insurance schemes</td>
<td>4,800,000</td>
<td>3,014,600</td>
<td>0</td>
<td>Not applicable</td>
</tr>
<tr>
<td>(14.2) Undertake community-based health insurance schemes review every two years</td>
<td>3,690,000</td>
<td>0</td>
<td>0</td>
<td>Not applicable</td>
</tr>
<tr>
<td>(15.1) Devise and implement a mechanism for documenting consultations when communal/private land is used for construction of health facilities</td>
<td>3,330,000</td>
<td>0</td>
<td>0</td>
<td>Not applicable</td>
</tr>
<tr>
<td>(15.2) Development and implementation of Health Sector Community Score Card</td>
<td>3,690,000</td>
<td>0</td>
<td>0</td>
<td>Not applicable</td>
</tr>
<tr>
<td>(16) Goods, non-consulting services, consulting services Training and Incremental Operating Costs for Part II(a) of the Project</td>
<td>7,370,000</td>
<td>5,000,000</td>
<td>0</td>
<td>100% from GFF Grant and thereafter, 100% from AF Credit</td>
</tr>
<tr>
<td>(17) Consulting services, Training and Incremental Operating costs for Parts II(b) and II(c) of the Project</td>
<td>0</td>
<td>2,500,000</td>
<td>2,500,000</td>
<td>100% from PN Grant and thereafter, 100% from GFF Grant</td>
</tr>
<tr>
<td>(18) Unallocated</td>
<td>0</td>
<td>1,000,000</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>110,600,000</td>
<td>20,000,000</td>
<td>20,000,000</td>
<td></td>
</tr>
</tbody>
</table>
B. Withdrawal Conditions for the Program

1. Notwithstanding the provisions of Section V.A of this Schedule, with respect to the Program, no withdrawal shall be made:

   (a) for purposes of Section 3.05 of the Standard Conditions (renumbered as such pursuant to paragraph 4 of Section II of the Appendix to this Agreement and relating to Program Expenditures), for DLRs achieved prior to the date of this Agreement, except that withdrawals up to an aggregate amount not to exceed $4,375,000 may be made for such DLRs under DLIs (9.1) through (15), achieved prior to this date but on or after August 31, 2016.

   (b) for any DLR until and unless the Recipient has furnished evidence satisfactory to the World Bank that said DLR has been achieved, including verification reports from the Independent Verification Agent in accordance with procedures and arrangements and verification protocols satisfactory to the World Bank.

2. Notwithstanding the provisions of Section V.B.1(b) of this Schedule, with respect to the Program, the Recipient may withdraw an amount not to exceed $4,375,000 as an advance; provided, however, that if the DLRs in the opinion of the World Bank, are not achieved (or only partially achieved) by the Closing Date, the Recipient shall refund such advance (or portion of such advance as determined by the World Bank in accordance with the Disbursement Calculation Formula for said Categories) to the World Bank promptly upon notice thereof by the World Bank. Except as otherwise agreed with the Recipient, the World Bank shall cancel the amount so refunded. Any further withdrawals requested as an advance under any Category shall be permitted only on such terms and conditions as the World Bank shall specify by notice to the Recipient.

3. Notwithstanding the provisions of Section V.B.1(b) of this Schedule, with respect to the Program, if any of the DLRs under any of the Categories has not been achieved by the date by which the said DLR is set to be achieved, the World Bank may, by notice to the Recipient: (a) authorize the withdrawal of such lesser amount of the unwithdrawn proceeds of the Financing then allocated to said Category which, in the opinion of the World Bank, corresponds to the extent of achievement of said DLR, said lesser amount to be calculated in accordance with the Disbursement Calculation Formula; (b) reallocate all or a portion of the proceeds of the Financing then allocated to said DLR to any other DLR; and/or (c) cancel all or a portion of the proceeds of the Financing then allocated to said DLR.

4. With respect to the Program, notwithstanding the foregoing provisions of this Section V, if at any time after the Closing Date the Recipient has failed to provide evidence satisfactory to the World Bank that the Withdrawn Financing Balance
does not exceed the total amount of Program Expenditures, the Recipient shall, promptly upon notice from the World Bank, refund to the World Bank such excess amount of the Withdrawn Financing Balance. The World Bank shall cancel the refunded amount of the Withdrawn Financing Balance.

C. Withdrawal Conditions for the Project

Notwithstanding the provisions of Section V.A of this Schedule, no withdrawal shall be made for payments made in respect of the Project prior to the date of this Agreement.

D. Operation Withdrawal Period

The Closing Date is June 30, 2021.
Schedule 3

Disbursement-Linked Indicators, Disbursement-Linked Results, Disbursement Calculation Formula and Allocated Amounts Applicable to the Program

The following table specifies the categories of withdrawal of the proceeds of the Financing ("Category"), the Disbursement Linked Indicators, Disbursement Linked Results and Disbursement Calculation Formula for each Category (as applicable), and the allocation of the amounts of the Financing to each Category.

<table>
<thead>
<tr>
<th>Category (including Disbursement Linked Indicator, as applicable)</th>
<th>Disbursement Linked Result and Disbursement Calculation Formula</th>
<th>Amount of AF Credit Allocated (expressed in SDR)</th>
<th>Amount of GFF Grant Allocated (expressed in US$)</th>
<th>Amount of PN Grant Allocated (expressed in US$)</th>
</tr>
</thead>
</table>
| (1) Deliveries attended by skilled birth provider (scaled)     | (a) Increase in deliveries attended by skilled birth provider from baseline of 18%, up to a maximum of 40%  
• US$2.6 million from HRITF Grant, thereafter US$558,250 from GFF Grant, thereafter SDR 1.395 million from Credit No. 5209, and thereafter SDR 1.139 million from AF Credit, for each 1% increase | 12,530,000 | 1,116,500 | 0 |
<p>| (1.1) Deliveries attended by skilled birth provider for the Bottom 3 Performing Regions. | (b) Upon endorsement of an equity strategy that addresses the Bottom 3 Performing Regions | 750,000 | 0 | 0 |</p>
<table>
<thead>
<tr>
<th>Category (including Disbursement Linked Indicator, as applicable)</th>
<th>Disbursement Result and Disbursement Calculation Formula</th>
<th>Amount of AF Credit Allocated (expressed in SDR)</th>
<th>Amount of GFF Grant Allocated (expressed in US$)</th>
<th>Amount of PN Grant Allocated (expressed in US$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(c) Increase in deliveries attended by skilled birth provider from baseline of 19%, up to a maximum of 28%</td>
<td>(c) Increase in deliveries attended by skilled birth provider from baseline of 19%, up to a maximum of 28%</td>
<td>10,320,000</td>
<td>1,116,500</td>
<td>0</td>
</tr>
<tr>
<td>• US$ 0.558250 million from GFF Grant; thereafter SDR 1.4743 million from AF Credit, for each 1% increase</td>
<td>• US$ 0.558250 million from GFF Grant; thereafter SDR 1.4743 million from AF Credit, for each 1% increase</td>
<td>10,320,000</td>
<td>1,116,500</td>
<td>0</td>
</tr>
<tr>
<td>(2) Children 12-23 months immunized with Pentavalent 3 vaccine</td>
<td>(c) Increased immunization by 10 percentage points from baseline of 65.7% to a maximum of 75.7%</td>
<td>3,050,000</td>
<td>893,200</td>
<td>0</td>
</tr>
<tr>
<td>• US$0.4466 million from GFF Grant; thereafter SDR 0.516 million from AF Credit, for each 1% increase</td>
<td>• US$0.4466 million from GFF Grant; thereafter SDR 0.516 million from AF Credit, for each 1% increase</td>
<td>3,050,000</td>
<td>893,200</td>
<td>0</td>
</tr>
<tr>
<td>(3.1) Pregnant women receiving at least four antenatal care visits</td>
<td>(a) Increase up to a maximum of 38% from baseline of 32%</td>
<td>11,056,000</td>
<td>1,116,500</td>
<td>0</td>
</tr>
<tr>
<td>• US$0.55825 million from GFF Grant; thereafter SDR 2.764 million from AF Credit, for each 1% increase</td>
<td>• US$0.55825 million from GFF Grant; thereafter SDR 2.764 million from AF Credit, for each 1% increase</td>
<td>11,056,000</td>
<td>1,116,500</td>
<td>0</td>
</tr>
<tr>
<td>(4.1) Contraceptive prevalence rate (for rural women only)</td>
<td>(a) Increase in contraceptive prevalence rate in rural women up to a maximum of 38% from baseline of 32%</td>
<td>8,844,000</td>
<td>1,116,500</td>
<td>0</td>
</tr>
<tr>
<td>• US$0.55825 million from GFF Grant; thereafter SDR 2.211 million from GFF Grant</td>
<td>• US$0.55825 million from GFF Grant; thereafter SDR 2.211 million from GFF Grant</td>
<td>8,844,000</td>
<td>1,116,500</td>
<td>0</td>
</tr>
<tr>
<td>Category (including Disbursement Linked Indicator, as applicable)</td>
<td>Disbursement Linked Result and Disbursement Calculation Formula</td>
<td>Amount of AF Credit Allocated (expressed in SDR)</td>
<td>Amount of GFF Grant Allocated (expressed in US$)</td>
<td>Amount of PN Grant Allocated (expressed in US$)</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
</tbody>
</table>
| (5) Health centers reporting HMIS data in time | (a) Increase up to a maximum of 86% from baseline of 68%  
- US$0.223 million from GFF Grant; thereafter SDR 0.1844 million from AF Credit, for each 1% increase | 2,950,000 | 446,600 | 0 |
| (7) Development and implementation of Annual Rapid Facility Assessment | (c) Upon undertaking Rapid Facility Assessment and disclosing results with actions to address weaknesses as envisaged by the Program, for each of the calendar years ending December 31, 2018, and December 31, 2020.  
- SDR 2.948 million by December 2018, and SDR 1.592 million by December 2020, from AF Credit | 4,540,000 | 0 | 0 |
<p>| (8) Transparency of PFSA procurement processes | (c) Upon updating the website with procurement information, issuing open call for pre-qualification of suppliers issued as per the Recipient's procurement law and proclamations, and producing price tracking report, as envisaged by the Program for each of the calendar years ending December 31, 2018, December 31, 2019, and December 31, 2020. | 4,570,000 | 0 | 0 |</p>
<table>
<thead>
<tr>
<th>Category (including Disbursement Linked Indicator, as applicable)</th>
<th>Disbursement Linked Result and Disbursement Calculation Formula</th>
<th>Amount of AF Credit Allocated (expressed in SDR)</th>
<th>Amount of GFF Grant Allocated (expressed in US$)</th>
<th>Amount of PN Grant Allocated (expressed in US$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(9.1) Introduction of procurement key performance indicators developed by FPPA at PFSA</td>
<td>(a) Upon commencement of procurement process data recording, introduction of procurement key performance indicators using format and guidelines developed by FPPA</td>
<td>370,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>(b) PFSA produces annual performance report for calendar years ending December 31, 2018, December 31, 2019, and December 31, 2020, December based on such key performance indicators using data recorded under result 9a above</td>
<td>1,110,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>(9.2) Automate the PFSA core business fiduciary system using Selected Software in PFSA headquarters and in Addis Ababa City</td>
<td>(a) Upon contract signing for software installation by December 2018</td>
<td>2,580,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>(b) Upon software utilization by PFSA headquarters and Addis Ababa City Branch by December 2020</td>
<td>2,580,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>(9.3) PFSA submission of backlog audit reports and timely quality audit reports thereafter</td>
<td>(a) Submit audit reports backlog from EFY 2005 and 2006 by December 2017</td>
<td>1,470,000</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

- SDR 1.5233 million from AF Credit, for each of the calendar years.

- SDR 0.37 million from AF Credit IDA, for each of the calendar years.
<table>
<thead>
<tr>
<th>Category (including Disbursement Linked Indicator, as applicable)</th>
<th>Disbursement Linked Result and Disbursement Calculation Formula</th>
<th>Amount of AF Credit Allocated (expressed in SDR)</th>
<th>Amount of GFF Grant Allocated (expressed in US$)</th>
<th>Amount of PN Grant Allocated (expressed in US$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(b) Submit audit reports backlog from EFY 2007 and 2008 by December 2018</td>
<td>1,470,000</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>(c) Submit audit reports backlog from EFY 2009 and 2010 by December 2019</td>
<td>740,000</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>(d) Submit timely and quality audit report for EFY 2011 by December 2020</td>
<td>740,000</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>(10.1) Percent of children age 6-59 months receiving Vitamin A supplements</td>
<td>(a) Increased Vitamin A supplementation up to a maximum of 8 percentage point from 2016 DHS baseline</td>
<td>1,840,000</td>
<td>0</td>
<td>$2,500,000</td>
</tr>
<tr>
<td>(10.2) Percent of Woredas in Non-Emerging regions delivering vitamin A supplements to children through routine systems (i.e., health facilities)</td>
<td>(b) Increased delivery of Vitamin A supplementation using routine systems in Woredas in Non-Emerging Regions up to a maximum of 80% from a baseline of 48%</td>
<td>1,840,000</td>
<td>0</td>
<td>$2,500,000</td>
</tr>
<tr>
<td>(11) Percent of pregnant women receiving iron folic acid tablets</td>
<td>Increased use of iron and folic acid tablets among pregnant women up to a maximum of 8 percentage points from 2016 DHS baseline</td>
<td>1,840,000</td>
<td>0</td>
<td>$2,500,000</td>
</tr>
<tr>
<td>Category (including Disbursement Linked Indicator, as applicable)</td>
<td>Disbursement Linked Result and Disbursement Calculation Formula</td>
<td>Amount of AF Credit Allocated (expressed in SDR)</td>
<td>Amount of GFF Grant Allocated (expressed in US$)</td>
<td>Amount of PN Grant Allocated (expressed in US$)</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>(12.1) Percent of children age 0-23 months participating in Growth Monitoring Promotion (GMP)</td>
<td>(a) Increased children’s participation in Growth Monitoring Promotion up to a maximum of 62% from a baseline of 38%</td>
<td>5,530,000</td>
<td>0</td>
<td>$7,500,000</td>
</tr>
<tr>
<td>(12.2) Percent of Woredas in Emerging Regions transitioning from Enhanced Outreach Services (EoS) to Community Health Days (CHDs)</td>
<td>• Increased percent of woredas using Community Health Days in Emerging Regions up to a maximum of 50% from a baseline of 0% • US$ 0.1 million from PN Grant; thereafter SDR 0.0736 million from AF Credit, for each 1% increase.</td>
<td>1,840,000</td>
<td>0</td>
<td>$2,500,000</td>
</tr>
<tr>
<td>(13.1) Percent of PHC facilities having all drugs from the MoH list of essential drugs available</td>
<td>(a) Upon development of quality standard for Primary Health Care (PHC) Facilities (by December 2017)</td>
<td>1,470,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Category (including Disbursement Linked Indicator, as applicable)</td>
<td>Disbursement Linked Result and Disbursement Calculation Formula</td>
<td>Amount of AF Credit Allocated (expressed in SDR)</td>
<td>Amount of GFF Grant Allocated (expressed in US$)</td>
<td>Amount of PN Grant Allocated (expressed in US$)</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>(b) Increased availability of all drugs from the MoH list of essential drugs in PHC facilities up to a maximum of 45% from a baseline of 42%</td>
<td></td>
<td>2,210,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>• SDR 0.7367 million from AF Credit, for each 1% increase</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(c) Upon revision and updating of the quality standards for PHCs developed in 2017 (by December 2019)</td>
<td></td>
<td>740,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>(d) Increased availability of all drugs from the MoH list of essential drugs in PHC facilities up to a maximum of 47% from 45%</td>
<td></td>
<td>740,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>• SDR 0.37 million from AF Credit, for each 1% increase</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(13.2) Develop and implement postnatal care service directive to improve the quality of postnatal services</td>
<td>(a) Upon development of the postnatal care services directives (by December 31, 2017)</td>
<td>0</td>
<td>$223,300</td>
<td>0</td>
</tr>
<tr>
<td>(b) Upon implementation of the Postnatal Care Directive in all PHCs (by December 31, 2018)</td>
<td>0</td>
<td>$446,600</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>(c) Monitor the implementation of the Directive by reviewing the use of the Directive at Facilities (by December 31, 2019)</td>
<td>0</td>
<td>$223,300</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Category (including Disbursement Linked Indicator, as applicable)</td>
<td>Disbursement Linked Result and Disbursement Calculation Formula</td>
<td>Amount of AF Credit Allocated (expressed in SDR)</td>
<td>Amount of GFF Grant Allocated (expressed in US$)</td>
<td>Amount of PN Grant Allocated (expressed in US$)</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>(d) Assess the effectiveness of the implementation of the directive and document lessons through a report on the experience (by December 31, 2020)</td>
<td>0</td>
<td>$223,300</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>(13.3) Improve quality of adolescent health services</td>
<td>(a) Upon development, and endorsement of Adolescent and Youth Health Strategy (by December 31, 2017)</td>
<td>0</td>
<td>$223,300</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>(b) Upon development of a package of Health Services for Schools (by December 31, 2018)</td>
<td>0</td>
<td>$669,900</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>(c) Upon development of a training manual for healthcare providers to build their competencies in providing the minimum health services package to adolescents (by December 31, 2019)</td>
<td>0</td>
<td>$223,300</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>(d) Increase in PHCs providing adolescent health services from baseline 60% to 75% (by December 31, 2020)</td>
<td>0</td>
<td>$446,600</td>
<td>0</td>
</tr>
<tr>
<td>(14.1) Percent of Woredas with functional community-based health insurance schemes</td>
<td>(a) Establishment of a baseline for the Percent of Woredas with functional community-based health insurance schemes (Prior Result)</td>
<td>4,800,000</td>
<td>3,014,600</td>
<td>0</td>
</tr>
<tr>
<td>(14.2) Undertake community-based health insurance schemes review every two years</td>
<td>* Upon undertaking review of implementation of CBHI schemes for the 2 calendar years ending</td>
<td>3,690,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Category (including Disbursement Linked Indicator, as applicable)</td>
<td>Disbursement Linked Result and Disbursement Calculation Formula</td>
<td>Amount of AF Credit Allocated (expressed in SDR)</td>
<td>Amount of GFF Grant Allocated (expressed in US$)</td>
<td>Amount of PN Grant Allocated (expressed in US$)</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>December 31, 2017, and December 31, 2019, and developing actions on areas that need improvement, and disclosure of results with remedial action plan as needed. <em>SDR 2.2110 million by December 2017, and SDR 1.474 million by December 2019, from AF Credit, for each review period</em></td>
<td>(a) Upon devising a mechanism for documenting consultations systematically validated by communities when communal/private land is used for construction of health facilities (by December 31, 2017)</td>
<td>740,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>(b) Upon implementation of the mechanism for documenting consultations for land use and acquisition in 10% of woredas (by December 31, 2018)</td>
<td></td>
<td>740,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>(c) Upon implementation of the mechanism for documenting consultations for land use and acquisition in 50% of woredas (by December 31, 2019)</td>
<td></td>
<td>1,110,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>(d) Implement a mechanism for documenting consultations for land use and acquisition in 70% (by December 31, 2020)</td>
<td></td>
<td>740,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Category (including Disbursement Linked Indicator, as applicable)</td>
<td>Disbursement Result and Disbursement Calculation Formula</td>
<td>Amount of AF Credit Allocated (expressed in SDR)</td>
<td>Amount of GFF Grant Allocated (expressed in US$)</td>
<td>Amount of PN Grant Allocated (expressed in US$)</td>
</tr>
<tr>
<td>---------------------------------------------------------------</td>
<td>-----------------------------------------------------------</td>
<td>-------------------------------------------------</td>
<td>-------------------------------------------------</td>
<td>-------------------------------------------------</td>
</tr>
<tr>
<td>(15.2) Development and implementation of Health Sector Community Score Card</td>
<td>(a) Develop Health Sector CSC Directive setting out the CSC Mechanism (by December 31, 2017)</td>
<td>740,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>(b) Pilot implementation of the Health Sector CSC up to 56 agrarian and pastoralist woredas base line from zero (by December 2018)</td>
<td>1,470,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>(c) Review the pilot and implement the Health Sector CSC in up to 56 woredas (by December 31, 2019)</td>
<td>740,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>(d) Implement CSC in 400 woredas including woredas in 4 emerging regions (by December 31, 2020)</td>
<td>740,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total Amount for Program</strong></td>
<td></td>
<td><strong>103,230,000</strong></td>
<td><strong>11,500,000</strong></td>
<td><strong>17,500,000</strong></td>
</tr>
</tbody>
</table>
APPENDIX

Section I. Definitions

1. “Action Plan” means the Recipient’s plan dated February 15, 2017, and referred to in paragraph C.2 of Section I of Schedule 2 to this Agreement, as may be amended from time to time with the agreement of the World Bank.

2. “Additional Financing Agreement” means the Financing Agreement of even date herewith between the Association and the Recipient providing additional financing in support of the Operation.

3. “Allocated Amounts” means the amount in Special Drawing Rights allocated to each individual DLR, or determined for each DLR pursuant to the formula detailed in Schedule 3 to this Agreement, as such amount might be increased, reallocated and/or cancelled (whether partially or in its entirety) by the World Bank, from time to time as the case may be, in accordance with the provisions of Section V.B.3 of Schedule 2 to this Agreement.

4. “Annual Rapid Facility Assessment” means an assessment of selected health facilities to be undertaken by EHNRI using the protocol agreed with the World Bank.

5. “Balanced Score Card Approach” means an approach being used by the Recipient to improve performance and accountability in public administration.

6. “Bottom 3 Performing Regions” means Afar, Oromia and Somali regions, which regions had the lowest results in skilled birth attendance as measured by the Recipient’s 2016 demographic and health survey.

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

8. “Co-Financing Agreements” means, collectively, the GFF Co-financing Agreement and the Additional Financing Agreement.

9. “Co-Financing Agreements” means, collectively, the GFF Co-financing Agreement and the Additional Financing Agreement.

10. “Community Health Days” means days on which a community gathers with the main purpose of disseminating health services and public health information.

11. “Credit No. 5209” means the credit to be provided pursuant to the Original Financing Agreement.
12. "Disbursement Calculation Formula" means the formula set forth in the table in Schedule 3 to this Agreement.

13. "Disbursement Linked Indicator" or "DLI" means in respect of a given Category, the DLI related to said Category as set forth in the tables in Section V.A of Schedule 2 and in Schedule 3 to this Agreement.

14. "Disbursement Linked Result" or "DLR" means in respect of a given Category, the result under said Category as set forth in the table in Schedule 3 to this Agreement, on the basis of the achievement of which, the amount of the Grant allocated to said result may be withdrawn in accordance with the provisions of Section V of Schedule 2 to this Agreement.

15. "EHNRI" means the Ethiopian Health and Nutrition Research Institute.


17. "Ethiopian Fiscal Year" or "EFY" means the Fiscal Year of the Recipient which commences on July 8 and ends on July 7.


20. "GFF Co-financing Agreement" means the agreement referred to in paragraph (E) of the preamble to this Agreement.

21. "GFF Grant" means the grant to be provided to the Recipient pursuant to the GFF Co-financing Agreement.

22. "Growth Monitoring Promotion" means a system for identifying malnourished children through routine measurement of children and linking them to nutrition programs, as needed.

23. "HMIS" means the Recipient’s system for health management information.

24. "HRITF Agreement" means the agreement referred to in paragraph (B) of the preamble to this Agreement.

25. "HRITF Grant" means the grant being provided to the Recipient pursuant to the HRITF Agreement.
26. "HSTP" means the Recipient’s Health Sector Transformation Plan, formerly known as the Health Sector Development Plan or HSDP and referred to in paragraph (B) of the Preamble to the Original Financing Agreement.

27. "Incremental Operating Costs" means the reasonable incremental expenses incurred, based on the annual work plan approved by the World Bank pursuant to Section I.C.4 of Schedule 2 to this Agreement, on account of Project coordination, implementation and monitoring by MoH and VERA, including expenditures for vehicles operation and maintenance, office supplies and consumables, utilities, communication, translation and interpretation, bank charges, Project-related national and international travel as well as per diem and accommodation (but excluding salaries of the Recipient’s civil servants), and other miscellaneous costs directly associated with the Project implementation.

28. "Independent Verification Agents" means the agents to be appointed pursuant to Section I.B.3 of Schedule 2 to this Agreement.

29. "JFA" means the Joint Financing Arrangement entered into between the Recipient and development partners, as referred to in paragraph (J) of the Preamble to the Original Financing Agreement, and which sets out the jointly agreed terms and procedures for Millennium Development Goals Performance Fund (now known as Sustainable Development Goals Fund and defined below) management, including planning, financial management, governance framework and decision-making, reporting, review and evaluation, audit and supply chain management.


31. "MoH" means the Recipient’s Ministry of Health and any successor thereto.

32. "NNPII" means the Recipient’s National Nutrition Program, which provides guidance for strategic multisectoral interventions in support of nutrition goals.

33. "Non-emerging Regions" means all regions in the Republic of Ethiopia but excluding the emerging regions of Somali, Afar, Gambela and Benishangul-Gumuz.

34. "Operation" means, collectively, all activities described under the Program and the Project of Schedule 1 to this Agreement. March 29, 2013.

35. "Original Financing Agreement" means the Financing Agreement between the Recipient and the World Bank dated March 29, 2013, as amended to the date of this Agreement (Credit No. 5209-ET).

36. "Original Program" means the Program described in Schedule 1 to the Original Financing Agreement.

38. "PHC" means primary health care.

39. "PIM" means the Project Implementation Manual referred to in Section I.C.2(b)(i) of Schedule 2 to this Agreement.


41. "Procurement Plan" means the Recipient's procurement plan for the Project, dated February 28, 2017, and provided for under Section IV of the Procurement Regulations, as the same may be updated from time to time in agreement with the World Bank.

42. "Program" means, collectively, the activities described in Part I of the Schedule 1 to this Agreement.

43. "Program Fiduciary and Environmental and Social Systems" means the Recipient's systems for the Program referred to in Section I.A of Schedule 2 to this Agreement.

44. "Project" means, collectively, the activities described in Part II of the Schedule 1 to this Agreement.


46. "Selected Software" means software selected for the purpose of automating key business processes at PFSA.

47. "SDG Performance Fund" means the Sustainable Development Goals Fund, formerly known as the Millennium Development Goals Fund, established, as referred to in paragraph (F) of the Preamble to the Original Financing Agreement, by the Recipient as the vehicle through which MoH, as implementing agency of the Recipient, may recruit, commit and spend donor-contributed resources towards such HSDP IV activities as shall be commonly agreed from time to time by the Joint Consultative Forum and under the principles of the JFA.
48. “Standard Conditions” means:

(a) for purposes of implementation of the Program and the financing of the Program Expenditures: the “Standard Conditions for Grants Made by the World Bank Out of Various Funds”, dated February 15, 2012”, with the modifications set forth in Section II of this Appendix; and

(b) for purpose of implementation of the Project, and the financing of the Project’s Eligible Expenditures: the “Standard Conditions for Grants Made by the World Bank Out of Various Funds”, dated February 15, 2012.”

49. “Training” means reasonable costs of training under the Project, based on annual work plans approved by the World Bank pursuant to Section I.C.4 of Schedule 2 to this Agreement, and attributable to national and international seminars, workshops, and study tours, along with national and international travel and subsistence allowances for training participants, services of trainers, rental of training facilities, preparation and reproduction of training materials, and other activities directly related to course preparation and implementation.

50. “VERA” means the Vital Event Registration Agency, a federal organ which was established by Council of Ministers Regulation No. 278/2012, responsible to direct, coordinate and support the registration of vital events at the national level and to centrally organize and keep records of vital events.

51. “Verification Protocol” means the Recipient’s protocol entitled “Summary Protocol for Verifying Achievement of DLIs” dated January 16, 2013, and updated on March 21, 2017, detailing the means by which the fulfillment of the DLRs will be verified under the Program.

52. “Woreda” means the third tier of government in the Recipient’s administrative system as established under the relevant Regional legislation.

Section II. Modifications to the Standard Conditions for Purposes of Program Implementation.

The modifications to the Standard Conditions are as follows:

1. Wherever used throughout the Standard Conditions, the term “the Project” is modified to read “the Program”, the term “Project Report” is modified to read “Program Report”; and the term “Eligible Expenditures” is modified to read “Program Expenditures”.

2. In the text of the Standard Conditions, the references to Sections, Section names and Section numbers shall be modified to reflect the substantive amendments set out below.
3. Section 3.03, Special Commitment by the World Bank, is deleted in its entirety, and
the subsequent Sections in Article III are renumbered accordingly.

4. The section originally numbered as Section 3.05 Designated Accounts, is deleted
in its entirety, and the subsequent Sections in Article III are renumbered accordingly.

5. Paragraph (a) of Section originally numbered as 3.06 (Eligible Expenditures
renamed “Program Expenditures” in accordance with paragraph 1 of this Section
II), is modified to read: “(a) the payment is for the financing of the reasonable cost
of expenditures required for the Program and to be financed out of the proceeds of
the Grant in accordance with the provisions of the Grant Agreement;”.

6. Paragraph (a) of Section originally numbered 3.07, Financing Taxes, is modified
to read: “In such case if the World Bank at any time determines that the amount of
any such Tax decreases or increases the World Bank may, by notice to the
Recipient, adjust the percentage of such Tax from the Program Expenditures to be
financed out of the proceeds of the Grant specified in the Grant, as required to
ensure consistency with such limitations on withdrawals.”

7. Section originally numbered 3.08, Reallocation, is modified to read: “If, in the
World Bank’s opinion, an amount allocated to a withdrawal category of Program
Expenditures under the Grant Agreement will be insufficient to finance the
expenditures under such category, the World Bank may, by notice to the Recipient,
reallocate any other amount of the Grant to such category the World Bank
reasonably determines at any time that such reallocation is appropriate for the
purposes of the Program.”

8. Section 4.01, Cancellation by the Recipient, is modified to read: “The Recipient
may, by notice to the World Bank, cancel any unwithdrawn amount.”

9. Paragraph (d) of Section 4.03, Cancellation by the World Bank, is deleted, and
subsequent paragraphs are relettered accordingly.

10. Section 4.04, Amounts Subject to Special Commitment Unaffected, is deleted in its
entirety, and subsequent Sections in Article IV and references to such Sections are
renumbered accordingly.

11. In the Appendix, Definitions, all references to Section numbers are modified, as
necessary, to reflect the modifications set forth above. In addition, paragraph 22
(“Special Commitment”) is deleted in its entirety, and all subsequent paragraphs
are renumbered accordingly (this requires amendment of Section 3.03, 3.04 (a), paragraph 4 of the Appendix).