Financing Agreement

(Additional Financing for Polio Eradication Support Project)

between

FEDERAL REPUBLIC OF NIGERIA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated MAY 22, 2015
CREDIT NUMBER 5618-NG

FINANCING AGREEMENT

AGREEMENT dated MAY 22, 2015, entered into between FEDERAL REPUBLIC OF NIGERIA ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association") for the purpose of providing additional financing for activities related to the Original Project (as defined in the Appendix to this Agreement). The Recipient and the 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 an amount equivalent to one hundred forty two million two hundred thousand Special Drawing Rights (SDR 142,200,000) (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 The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.

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 The Interest Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to one and a quarter percent (1.25%) per annum.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 May 15 and November 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 through its National Primary Health Care Development Agency 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 is the following, namely, that the UNICEF Agreement and WHO Agreement have been executed and delivered, under terms and conditions satisfactory to the Association in accordance with Section III of Schedule 2 to this Agreement, between the Recipient and UNICEF and between the Recipient and WHO, respectively, and all conditions precedent to their effectiveness (other than the effectiveness of this Agreement) have been fulfilled.

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 years after the date of this Agreement.

ARTICLE V — REPRESENTATIVE; ADDRESSES

5.01. The Recipient's Representative is its minister at the time responsible for finance.

5.02. The Recipient's Address is:

The Honorable Minister
Federal Ministry of Finance
Ahmadu Bello Way
Central Business District
Abuja, Federal Republic of Nigeria

Facsimile: 234 9 6273609
5.03. The Association's Address is:

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

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<tr>
<td>Cable:</td>
<td>Telex:</td>
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<tr>
<td>INDEVAS</td>
<td>248423 (MCI)</td>
<td>1-202-477-6391</td>
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<td>Washington, D.C.</td>
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AGREED at Abuya, Nigeria, as of the day and year first above written.

FEDERAL REPUBLIC OF NIGERIA

By

Authorized Representative

Name: Dr. Ngozi Olsonjo-weala
Title: Minister of Finance

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Authorized Representative

Name: Marie Francoise Marie-Nelly
Title: Country Director
SCHEDULE 1

Project Description

The objective of the Project is to assist the Recipient, as part of a global polio eradication effort, to achieve and sustain at least 80 percent coverage with oral polio vaccine immunization in every state in the Recipient’s territory, and sustain national routine immunization coverage.

The Project consists of the following parts:

**Part 1: Polio Eradication Operations Support**

(a) Provision of assistance with: (i) distribution of oral polio vaccine in all participating states and health facilities of the Recipient; and (ii) training and planning for, and implementation of, immunization plus days and intensified supplementary immunization activities.

(b) Carrying out advocacy, public awareness and social mobilization campaigns for immunization plus days and intensified supplementary immunization activities through engagement of traditional community and religious leaders, civil society organizations, women and other community members.

**Part 2: Routine Immunization Support**

Provision of vaccines for routine immunization in the territory of the Recipient.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. The Recipient shall maintain the following institutional and implementation arrangements, through the implementation of the Project:

(a) the National Primary Health Care Development Agency, with functions and resource satisfactory to the Association, and with staff in adequate numbers and with qualifications, experience and terms of reference satisfactory to the Association, for the purpose of ensuring the efficient implementation of the Project;

(b) an inter-agency coordinating committee with a composition, functions and resources satisfactory to the Association: (i) consisting inter alia of representatives of the National Primary Health Care Development Agency, the Federal Ministry of Health (FMOH), and other relevant development partners and stakeholders; and (ii) responsible for coordinating the implementation of the Project activities and other related polio eradication activities; and

(c) an expert review committee with composition, functions and resources satisfactory to the Association: (a) consisting of recognized national and international experts; and (b) responsible for providing advice to the FMOH and the National Primary Health Care Development Agency on the strategic direction for implementation of the Project.

2. For the purposes of implementation of the Project, the Recipient shall: (i) enter into an agreement with WHO (for Part 1(a) of the Project) and with UNICEF (for Parts 1(b) and 2 of the Project), both under terms and conditions satisfactory to the Association; and (ii) not assign, amend, abrogate or waive such agreement or any of its provisions without a written agreement by the Association.

B. Anti-Corruption

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

C. Safeguards

The Recipient shall, and shall cause WHO and UNICEF: (i) to carry out the Project in accordance with the National Strategic Healthcare Waste Management Plan and
with clinical healthcare waste management protocol to be developed by NPHCDA prior to commencing immunization activities under the Project; and (ii) to monitor the implementation of the National Strategic Healthcare Waste Management Plan and the clinical protocol referred to in sub-paragraph (i) above, and to report to the Association as part of Project Reports on compliance with the requirements and procedures set forth in said Plan and protocols during the Project implementation.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

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 the indicators acceptable to the Association. Each Project Report shall cover the period of one calendar semester, 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, in accordance with the terms of the UNICEF Agreement and WHO Agreement:

   (a) require UNICEF and WHO to maintain a separate ledger account in which all receipts and expenditures financed under the Project will be recorded;

   (b) require UNICEF and WHO to prepare and furnish to the Recipient as soon as available, but in any case not later than sixty (60) days after the end of each calendar semester, “utilization” reports prepared in accordance with the provisions of the UNICEF Agreement and WHO Agreement, respectively; and

   (c) as soon as possible after their receipt from UNICEF and WHO, furnish copies of the said reports to the Association.

3. Without limitation on the provisions of paragraph 2 of this Part B, the Recipient shall prepare and furnish to the Association, as part of the Project Report, not later than forty-five (45) days after the end of each calendar semester, interim unaudited financial report for the Project covering the quarter, in form and substance satisfactory to the Association.
4. The Recipient shall, upon the Association's request, have the Financial Statements for the Project audited in accordance with the provisions of Section 4.09(b) of the General Conditions. Such audit of the Financial Statements shall cover the period indicated in the Association's request. The audited Financial Statements for such period shall be furnished to the Association not later than the date indicated in the Association's request.

Section III. Procurement

A. General

1. Goods and Non-consulting Services. All goods 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. Definitions. The capitalized terms used below in this Section to describe particular procurement method or method of review by the Association of particular contracts, refer to the corresponding method described in the Procurement Guidelines.

B. Particular Method of Procurement of Goods and Non-consulting Services. Goods and non-consulting services shall be procured from UNICEF and WHO in accordance with the provisions of paragraph 3.10 of the Procurement Guidelines and of the UNICEF Agreement and WHO Agreement, accordingly.

C. Review by the Association of Procurement Decisions

Except as the Association shall otherwise determine by notice to the Recipient, the UNICEF Agreement and WHO Agreement shall be subject to the Association's prior review.

Section IV. Withdrawal of the Proceeds of the Financing

A. General

The Recipient may withdraw the proceeds of the Financing in accordance with the provisions of Article 1 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 100% of Eligible Expenditures (inclusive of Taxes), consisting of goods, non-consulting services, Training and Vaccination Personnel Allowances.
B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made for payments made prior to the date of this Agreement, except that withdrawals up to an aggregate amount not to exceed the equivalent of SDR 42,700,000 may be made for payments prior to this date but on or after January 1, 2015, for Eligible Expenditures under the Project.

2. The Closing Date is July 31, 2017.
SCHEDULE 3
Repayment Schedule

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<tr>
<th>Date Payment Due</th>
<th>Principal Amount of the Credit repayable (expressed as a percentage)*</th>
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<tr>
<td>On each May 15 and November 15:</td>
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<tr>
<td>commencing May 15, 2020, to and including November 15, 2029</td>
<td>1.65%</td>
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<tr>
<td>commencing May 15, 2030, to and including November 15, 2039</td>
<td>3.35%</td>
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* 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. "Category" means a category set forth in the table in Section IV of Schedule 2 to this Agreement.

3. "FMOH" means the Recipient's Federal Ministry of Health or any successor thereto.


5. "National Primary Health Care Development Agency" or “NPHCDA” means the Recipient's agency established pursuant to the National Primary Health Care Development Agency Decree No. 29 of 1992, or any successor thereto.


7. "Original Financing Agreement" means the financing agreement for a Polio Eradication Support Project between the Recipient and the Association, dated April 16, 2013 (Credit No. 5133 NG).

8. "Original Project" means the Project described in Schedule 1 to the Original Financing Agreement.


10. "Procurement Plan" means the Recipient's procurement plan for the Project, dated March 11, 2015, and referred to in paragraph 1.18 of the Procurement Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.

11. "Training" means expenditures associated with Project related study tours, training courses, seminars, workshops and other training activities, not included under service providers' contracts, including costs of training materials, space and equipment rental, travel, accommodation and per diem costs of trainees and
trainers, trainers’ fees, and other training related miscellaneous costs approved by the Association.


13. “UNICEF Agreement” means the Agreement to be entered into between the Recipient and UNICEF, on terms and conditions satisfactory to the Association, for the purposes of implementation of Parts 1(b) and 2 of the Project.

14. “Vaccination Personnel Allowances” means allowances paid or to be paid to the Recipient’s health facilities’ personnel involved in vaccination, recording, supervising and monitoring activities during immunization plus days.


16. “WHO Agreement” means the Agreement to be entered into between the Recipient and WHO, on terms and conditions satisfactory to the Association, for the purposes of Part 1(a) of the Project.