EBOLA RECOVERY AND RECONSTRUCTION
TRUST FUND
Grant Agreement
(Supplemental Financing for the Second Poverty Reduction Support
Development Policy Operation)

between

REPUBLIC OF LIBERIA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION
(acting as administrator of The Ebola Recovery and Reconstruction Trust Fund)

Dated February 19, 2016
ERRTF GRANT NUMBER TF0A1815

EBOLA RECOVERY AND RECONSTRUCTION TRUST FUND
GRANT AGREEMENT


WHEREAS (A) Pursuant to a grant agreement entered into between the Recipient and the International Development Association dated November 20, 2014, for the Second Poverty Reduction Support Development Policy Operation (the "IDA Grant Agreement") (Grant No. H999-LR) the International Development Association extended to the Recipient a financing in an amount equivalent to six million eight hundred thousand Special Drawing Rights (SDR $6,800,000) to assist in financing the Program described in Schedule 1 to the IDA Grant Agreement and further defined in the Appendix to the IDA Grant Agreement;

(B) Pursuant to a financing agreement entered into between the Recipient and the International Development Association dated November 20, 2014, for the Second Poverty Reduction Support Development Policy Operation (the "IDA Financing Agreement") (Credit No. 5550-LR) the International Development Association extended to the Recipient a credit in an amount equivalent to thirteen million five hundred thousand Special Drawing Rights (SDR $13,500,000) to assist in financing the Program described in Schedule 1 to the IDA Financing Agreement and further defined in the Appendix to the IDA Financing Agreement; and

(C) the World Bank, acting as administrator of the Ebola Recovery and Reconstruction Trust Fund, has agreed to make to the Recipient the grant ("Grant") referred to in Section 3.01 of this Agreement for the purpose of providing financing in support of the Program. The World Bank has decided to provide this financing on the basis, inter alia, of: (a) the actions which the Recipient has already taken under the Program and which are described in Section I.A of Schedule 1 to the IDA Grant Agreement and the IDA Financing Agreement; and (b) the Recipient’s maintenance of an adequate macroeconomic policy framework.

Therefore, the Recipient and the World Bank hereby agree as follows:
Article I
Standard Conditions; Definitions

1.01. The “Standard Conditions for Grants Made by the World Bank Out of Various Funds”, dated February 15, 2012, (“Standard Conditions”) with the modification set forth 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 this Agreement.

Article II
Program

2.01. The Recipient declares its commitment to the Program and its implementation. To this end:

(a) The Recipient shall work towards the implementation of, and carry out, the Program with due diligence and efficiency, and in accordance with the provisions of this Agreement;

(b) the Recipient shall, from time to time, exchange views with the World Bank on the progress achieved in carrying out the Program, at the request of either party;

(c) prior to each such exchange of views, the Recipient shall furnish to the World Bank for its review and comment a report on the progress achieved in carrying out the Program, in such detail as the World Bank shall reasonably request;

(d) the Recipient shall furnish all information covering the implementation of the Program and the use of proceeds of the Grant as the World Bank shall reasonably request; and

(e) without limitation upon the provisions of paragraphs (b) and (c) of this Section, the Recipient shall promptly inform the World Bank of any situation that would have the effect of materially reversing the objectives of the Program, or any action taken under the Program, including any of the actions which the Recipient has already taken under the Program.
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 equal to five million United States Dollars ($5,000,000) ("Grant") in support of the Program.

3.02. The Recipient may withdraw the proceeds of the Grant in accordance with Section I of the Schedule 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 Event of Suspension referred to in Section 4.02 (k) of the Standard Conditions consists of the following, namely that 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 the World Bank is satisfied with the progress achieved by the Recipient in carrying out the Program and with the adequacy of the Recipient's macroeconomic policy framework.

5.02. 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.

5.03. 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 and development planning.

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

Ministry of Finance and Development Planning
P.O. Box 10-9013
Broad Street
Monrovia
Republic of Liberia

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

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

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

64145 (MCI)
AGREED at Monrovia, Republic of Liberia, as of the day and year first above written.

REPUBLIC OF LIBERIA

By

[Signature]

Authorized Representative

Name: AMARA M. KONNEH

Title: MINISTER OF FINANCE AND DEVELOPMENT PLANNING

INTERNATIONAL DEVELOPMENT ASSOCIATION
(acting as administrator of the Ebola Recovery and Reconstruction Trust Fund)

By

[Signature]

Authorized Representative

Name: NGUNIA DOGRAJA

Title: COUNTRY MANAGER
SCHEDULE
Availability of Grant Proceeds

Section I. Availability of Grant Proceeds

A. General. The Recipient may withdraw the proceeds of the Grant in accordance with the provisions of this Section and such additional instructions as the World Bank may specify by notice to the Recipient.

B. Allocation of Grant Amounts. The Grant is allocated in a single withdrawal tranche, from which the Recipient may make withdrawals of the Grant. The allocation of the amounts of the Grant to this end is set out in the table below:

<table>
<thead>
<tr>
<th>Allocations</th>
<th>Amount of the Grant Allocated (expressed in USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Withdrawal Tranche</td>
<td>5,000,000</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>5,000,000</td>
</tr>
</tbody>
</table>

C. Withdrawal Tranche Release Conditions

No withdrawal shall be made of the Single Withdrawal Tranche unless the World Bank is satisfied: (a) with the Program being carried out by the Recipient; and (b) with the adequacy of the Recipient’s macroeconomic policy framework.

D. Deposits of Grant Amounts. Except as the World Bank may otherwise agree:

1. all withdrawals from the Grant Account shall be deposited by the World Bank into an account designated by the Recipient and acceptable to the World Bank; and

2. the Recipient shall ensure that upon each deposit of an amount of the Grant into this account, an equivalent amount is accounted for in the Recipient’s budget management system, in a manner acceptable to the World Bank.

E. Excluded Expenditures. The Recipient undertakes that the proceeds of the Grant shall not be used to finance Excluded Expenditures. If the World Bank determines at any time that an amount of the Grant was used to make a payment for an Excluded Expenditure, the Recipient shall, promptly upon notice from the World Bank, refund an amount equal to the amount of such payment to the World Bank. Amounts refunded to the World Bank upon such request shall be cancelled.

F. Closing Date. The Closing Date is June 30, 2016.
APPENDIX

Section I. Definitions

1. “Excluded Expenditure” means any expenditure:

(a) for goods or services supplied under a contract which any national or international financing institution or agency other than the World Bank or the Bank has financed or agreed to finance, or which the World Bank or the Bank has financed or agreed to finance under another credit, grant or loan;

(b) for goods included in the following groups or sub-groups of the Standard International Trade Classification, Revision 3 (SITC, Rev.3), published by the United Nations in Statistical Papers, Series M, No. 34/Rev.3 (1986) (the SITC), or any successor groups or subgroups under future revisions to the SITC, as designated by the World Bank by notice to the Recipient:

<table>
<thead>
<tr>
<th>Group</th>
<th>Sub-group</th>
<th>Description of Item</th>
</tr>
</thead>
<tbody>
<tr>
<td>112</td>
<td>Sub-group</td>
<td>Alcoholic beverages</td>
</tr>
<tr>
<td>121</td>
<td></td>
<td>Tobacco, un-manufactured, tobacco refuse</td>
</tr>
<tr>
<td>122</td>
<td></td>
<td>Tobacco, manufactured (whether or not containing tobacco substitutes)</td>
</tr>
<tr>
<td>525</td>
<td></td>
<td>Radioactive and associated materials</td>
</tr>
<tr>
<td>667</td>
<td></td>
<td>Pearls, precious and semiprecious stones, unworked or worked</td>
</tr>
<tr>
<td>718</td>
<td>718.7</td>
<td>Nuclear reactors, and parts thereof; fuel elements (cartridges), non-irradiated, for nuclear reactors</td>
</tr>
<tr>
<td>728</td>
<td>728.43</td>
<td>Tobacco processing machinery</td>
</tr>
<tr>
<td>897</td>
<td>897.3</td>
<td>Jewelry of gold, silver or platinum group metals (except watches and watch cases) and goldsmiths' or silversmiths' wares (including set gems)</td>
</tr>
<tr>
<td>971</td>
<td></td>
<td>Gold, non-monetary (excluding gold ores and concentrates)</td>
</tr>
</tbody>
</table>
(c) for goods intended for a military or paramilitary purpose or for luxury consumption;

(d) for environmentally hazardous goods, the manufacture, use or import of which is prohibited under the laws of the Recipient or international agreements to which the Recipient is a party, and any other goods designated as environmentally hazardous by agreement between the Recipient and the World Bank;

(e) on account of any payment prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations; and

(f) with respect to which the World Bank determines that corrupt, fraudulent, collusive or coercive practices were engaged in by representatives of the Recipient or other recipient of the Financing proceeds, without the Recipient (or other such recipient) having taken timely and appropriate action satisfactory to the World Bank to address such practices when they occur.

2. “Fiscal Year” or “FY” means the fiscal year of the Recipient beginning on July 1 and ending June 30 of each year.

3. “Program” means the program referred to in this Agreement in support of which the Grant is made, as defined in the IDA Financing Agreement.

4. “Single Withdrawal Tranche” means the amount of the Grant allocated to the category entitled “Single Withdrawal Tranche” in the table set forth in Part B of Section I of Schedule 1 to this Agreement.

Section II. Modifications to the Standard Conditions

The Standard Conditions are modified as follows:

1. Sections 2.01 (Project Execution Generally) and 2.07 (Financial Management; Financial Statements; Audits) are deleted in their entirety, and the remaining Sections in Article II are renumbered accordingly.

2. Paragraph (a) of Section 2.03 (renumbered as such pursuant to paragraph 1 above and relating to Use of Goods, Works and Services) is deleted in its entirety.

3. Paragraph (c) of Section 2.04 (renumbered as such pursuant to paragraph 1 above) is modified to read as follows:
"Section 2.04. (Documents; Records). The Recipient shall ensure that:

(c) all records evidencing expenditures under the Grant are retained until two years after the Closing Date;"

4. Paragraph (b)(ii) of Section 2.05 (renumbered as such pursuant to paragraph 1 above) is modified to read as follows:

"Section 2.05. (Program Monitoring, Reporting and Evaluation). The Recipient shall:

(b)(ii) ensure the preparation and delivery to the World Bank, not later than the date specified for that purpose in the Grant Agreement, one or more completion reports ("Completion Reports") of such scope and in such detail as the World Bank shall reasonably request, on the execution of the Program, the performance by the Recipient and the World Bank of their respective obligations under the Grant Agreement and the accomplishment of the purposes of the Grant."

6. The last sentence of paragraph (c) of Section 3.04 (Applications; Supporting Evidence) is deleted in its entirety.

7. Sections 3.05 (Designated Accounts) and 3.06 (Eligible Expenditures) are deleted in their entirety, and the remaining Sections in Article III are renumbered accordingly.

8. The following terms and definitions set forth in the Appendix to the Standard Conditions are modified or deleted as follows, and the following new terms and definitions are added in alphabetical order to the Appendix to the Standard Conditions as follows, with the terms being renumbered accordingly:

(a) The definition of the term "Eligible Expenditure" is modified to read as follows:

"Eligible Expenditures" means any use to which the Grant is put in support of the Program other than to finance expenditures excluded pursuant to the Grant Agreement.

(b) The term "Financial Statements" and its definition as set forth in the Appendix to the Standard Conditions are deleted in their entirety.

(c) The term "Project" is modified to read "Program" and its definition is modified to read as follows:
"Program" means the program referred to in the Grant Agreement in support of which the Grant is made. All references to "Project" throughout these Standard Conditions are deemed to be references to "Program".