Terms of Cooperation for the
Multi-Donor Trust Fund for Achieving Nutrition Impact at Scale
between the Power of Nutrition and
The World Bank

Background

1. These Terms of Collaboration (ToC) establish non-binding parameters for the World Bank (the Bank) and the Power of Nutrition to identify, approve, implement, and finance the execution of activities undertaken with the financial support provided under the Administration Agreement (“Administration Agreement” or “AA”) between The Power of Nutrition and The International Bank for Reconstruction and Development and the International Development Association (jointly the “Bank”) concerning the Multi-Donor Trust Fund (“Nutrition MDTF” or “MDTF”) for Achieving Nutrition Impact at Scale (TF No. 072405) (“AA”). These ToC do not amend, abrogate or waive the Administration Agreement or any of their provisions. If any of the provisions of these ToC is inconsistent with the provisions of the Administration Agreement, the provisions of the Administration Agreement shall prevail and govern.

2. The Nutrition MDTF would be established around mutual collaboration and trust between the Bank and the Power of Nutrition, and well as with future co-funders to the Nutrition MDTF. Nutrition MDTF activities will include the development of analytic and operational products, and country-implemented programs contributing to countries’ efforts to achieve nutrition impact at scale.

Objective and Goals

3. The objective of the Trust Fund is to accelerate the scale-up of investments in nutrition programs in selected countries to effectively deliver evidence-based interventions leading ultimately to reductions in the prevalence of child stunting and other forms of undernutrition.

4. The MDTF would aspire to start funding activities in 3 to 5 countries, depending on levels of funding commitment and demand between signing the MDTF and end of 2017. In the aggregate, the ambition of the Power of Nutrition’s contribution to the Nutrition MDTF is to aim for at least a 20% reduction in the number of stunted children in the geographies covered, as well as preventing other forms of undernutrition. The Nutrition MDTF will provide a combination of financing for nutrition components and activities, including through results-based instruments/approaches, to deliver these improved results on the ground through the following primary goals:

a. **Drive ambitious results at scale:** to help countries deliver a dramatic improvement in nutrition results and have a direct impact of reducing the pool of stunted children and preventing deaths due to undernutrition;

b. **Scale up high impact, evidence-based interventions:** The Nutrition MDTF would support the delivery of interventions that are solidly grounded in evidence. While implementation will vary by country, scaling up the 11 interventions listed as high impact in the Lancet Nutrition Series (2008/2013) (Table 1) will be prioritized. This list is shown below (Table 1). Other interventions may be added or emphasised with the approval of the Steering Committee, as more evidence becomes available;

c. **Increase the use of results based financing instruments/approaches:** Results-based financing (RBF) represents an alternative to input based support for country nutrition programs. By providing financing contingent on the delivery of measurable performance, targets, and results, RBF can provide a powerful incentive to countries and implementers, provided that they can secure sufficient working capital to scale up the high impact interventions required. The Nutrition MDTF through this goal would encourage the Bank to emphasize in its policy dialogue RBF approaches for nutrition with all eligible countries.
d. **Strengthen nutrition capacity to support countries in designing and delivering quality programs.** Nutrition capacity at country level remains a key constraint to obtaining better results. Programmatic funding will be made available to cover the costs of ensuring that the highest levels of technical expertise are present on the ground to support countries in designing and delivering quality programs. Support will be tailored to need, but may include the recruitment of additional nutritionists and other technical experts working at the World Bank, local consultants working within countries, and local capacity building programs.

### Table 1: Current List of High Impact Nutrition Interventions

<table>
<thead>
<tr>
<th>Nutrition intervention</th>
<th>What does it involve?</th>
<th>Why does it matter?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promotion of breastfeeding</td>
<td>• Community based education and behaviour change</td>
<td>• Early breast feeding reduces all-cause and infection related neonatal mortality by 44-45%</td>
</tr>
<tr>
<td>Complementary feeding</td>
<td>• Community based education and behaviour change</td>
<td>• Complementary feeding results in increased height and weight</td>
</tr>
<tr>
<td>Management of Severe Acute Malnutrition</td>
<td>• Community based therapeutic feeding using ready-to-use-foods</td>
<td>• Provision of RUTF leads to faster weight gain, improved recovery and reduced mortality</td>
</tr>
<tr>
<td>Vitamin A supplementation</td>
<td>• Provision of supplements</td>
<td>• Vitamin A supplementation reduces all-cause and diarrhoea related mortality.</td>
</tr>
<tr>
<td>Salt iodisation</td>
<td>• Iodisation of salt at point of processing</td>
<td>• Salt iodisation increased birth weight and leads to 10%-20% higher developmental scores</td>
</tr>
<tr>
<td>Hand washing with soap</td>
<td>• Community education and behaviour change</td>
<td>• Hand washing with soap reduces the risk of diarrhoea</td>
</tr>
<tr>
<td>Therapeutic zinc for diarrhoea</td>
<td>• Access to zinc supplements and demand creation</td>
<td>• Zinc treatment for diarrhoea leads to a 46% reduction in all-cause mortality</td>
</tr>
<tr>
<td>Iron and folic acid</td>
<td>• Provision of supplements to pregnant women</td>
<td>• Iron and folic acid supplementation for pregnant women leads to higher birth weight</td>
</tr>
<tr>
<td>Multiple micronutrient powders</td>
<td>• Provision of micronutrient powders to children</td>
<td>• Significant reductions in anaemia</td>
</tr>
<tr>
<td>Deworming</td>
<td>• Delivery of deworming drugs</td>
<td>• Treating children who are infected with worms increases weight</td>
</tr>
<tr>
<td>Iron fortification of staples</td>
<td>• Product fortification at point of processing e.g. flours</td>
<td>• Iron fortification results in 41% reduction in the risks of anaemia</td>
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</tbody>
</table>

### Governance

5. **Steering Committee (SC):** a committee consisting of representatives from the Bank and each Donor, shall be established in an advisory capacity. The Donor(s) and the Bank will agree on the total number of representatives on the SC and each party will select its respective members. The Terms of Reference for the SC will cover the following activities:

- Provide guidance on the overall strategic direction and priorities, for the Nutrition MDTF;
- Regularly monitor the performance of the program and its components;
- Review ongoing and proposed activities in the Annual Work Program and provide guidance on their effective implementation;
- Promote cross cutting coordination and communication across the components of the program;
- Provide sponsorship for workshops and other activities financed by the Nutrition MDTF;
- Participate, in agreement with the responsible task team, from time to time in supervisory visits to projects supported by the Nutrition MDTF.
6. **Donor no-objection**: each Recipient Executed funding proposal, in the form of a World Bank Project Concept Note, will require the unanimous approval (on a non-objection basis) from the Donors represented on the Steering Committee within a period of 10 business days from its submission. The World Bank would be responsible for the preparation of the proposals.

7. **Coordination mechanisms.** The Nutrition MDTF would be supported by a Nutrition MDTF manager and coordination team responsible for the day-to-day management of the Nutrition MDTF. This would include but is not limited to, working directly with Bank technical and country teams to prepare proposals for Nutrition MDTF; preparation of progress reports on the Nutrition MDTF as per section on “reporting” below; day-to-day communication with the Steering Committee; the organization of the annual meeting with the Steering Committee, and dissemination of all routine Bank monitoring reports related to the projects receiving Nutrition MDTF resources.

8. **Reporting.** The World Bank will report to the Donors to the Nutrition MDTF (e.g. the Power of Nutrition) using three modalities:

1. **Annual Report.** A yearly activities report will be prepared. It will document progress and results of programs financed by the Nutrition MDTF contributions. It will include a description of any additional activities that these programs may have leveraged in the Bank. In addition, a work program/budget on the nutrition pipeline will be prepared on the upcoming annual work program outline. The reporting will be done on the Bank fiscal year basis (July-June) to coincide with the financial reporting cycle.

2. **Financial Reports.** Financial reporting will follow established Bank procedures. The Bank shall provide, within six months following the end of each Bank fiscal year, an attestation from an independent auditor concerning the adequacy of internal control over financial reporting for trust funds as a whole (called the “Single Audit”). The cost of such attestation is borne by the Bank.
   a. In addition to the Single Audit, the donors will have 24 hours a day access to the Bank’s Donor Center – a web platform which provides donors (not the public) with detailed financial data on their IBRD/IDA trust fund portfolio, in a secure, access-controlled environment.
   b. On an exceptional basis, the Donors to the Nutrition MDTF may request an external audit of the Nutrition MDTF financial statement. The Secretariat and the Bank will determine the necessity of such an audit, and agree on the scope and terms of reference of such audit. All costs associated with an external audit, including costs incurred by the Bank, will be borne by the donor(s).

3. **Annual Progress Reports.** The Bank may use its standard reporting format – the public disclosable parts of the annual Implementation Status and Results report (ISRs) – to provide updates on recipient-executed trust fund projects as needed. On Bank-executed trust funds the Bank will provide at the request of Donors to the MDTF (PoN, etc) and as per the arrangements in the AA annual Grant Reporting and Monitoring reports (GRM).

4. **Semi-Annual Operational Updates:** The Bank will also provide, on at least a semi-annual basis, a descriptive operational update on projects supported by the Nutrition MDTF. This could be based, for example, on summaries of the aide-memoires from supervisory visits to countries.

9. **The Nutrition MDTF Results Framework:** The activities supported by the Bank will be monitored using a detailed Nutrition MDTF Results Framework (see Annex 1). The key objective is to scale up investments in nutrition programs in selected countries to effectively deliver evidence-based interventions leading ultimately to reductions in the prevalence of child stunting and other forms of malnutrition. The Bank will coordinate with the Donor to ensure that progress towards these results is measured in a comparable way across projects supported by the Nutrition MDTF, and across projects supported by other implementing agencies supported by the Donor. To monitor progress, the key performance indicators (KPI) will include the number of new IDA investments in nutrition in Bank supported projects in high stunting burden client countries. In addition, three intermediate results will be monitored and reported by the World Bank:
- Increased provision and utilization of key nutrition services by target populations;
- Increased World Bank leadership on nutrition;
- Increased country capacity and leadership on nutrition.

**Activities to be financed**

10. **Geographic scope:** The scope of the Nutrition MDTF will be global, with IDA and IDA-IBRD Blend member countries eligible. The contribution from the Power of Nutrition will finance activities in the Sub-Saharan Africa and South Asia regions, unless otherwise agreed with the Power of Nutrition. The Donor(s) recognize that contributions from other donors into the Nutrition MDTF will be commingled. As additional funding is raised from other donors into the Nutrition MDTF, funding may be made available for activities in countries in other regions.

11. **Activities:** The fund will finance both Recipient and Bank-Executed activities, which will allow for a variety of strategic and financial approaches:

**Recipient-Executed Activities**

- **Country identification:** Countries eligible for match-funding will be identified by the World Bank based on objective, transparent criteria including:
  - High need and burden (stunting prevalence greater than 30% and a population of children affected greater than 250,000, unless otherwise agreed to by the Steering Committee)
  - Strong financial commitment to improving nutrition as evidenced in national strategies and or action plans
  - Readiness to scale up, including absorptive capacity
- **High impact, evidence-based nutrition activities:** Nutrition MDTF resources will be provided to recipients to design and implement high impact evidenced based nutrition activities, such as, but not limited to, those listed in the Lancet Nutrition Series. Other interventions would be accepted based on evidence with regards their impact.
- **IDA financing:** The Nutrition MDTF financing would be matched to IDA financing for new nutrition engagements; as follows:
  - For individual projects, and unless otherwise established by the Donors represented on the Steering Committee on a case-by-case basis, the Contribution shall be provided for nutrition activities on the basis of an expected match of 1:2 (Trust Fund:IDA) and no less than 1:1, in each case, to IDA financing of any new nutrition activities. It is the donor preference that the minimum amount of Nutrition MDTF available for a single recipient-executed project is $10m and the maximum is $30m, but there may be exceptions for discussion/approval by the Donors represented on the Steering Committee.
  - During the entire implementation period of the Nutrition MDTF, on average for the overall disbursed amount of the Contribution, financing for nutrition activities shall be committed to match IDA financing for any nutrition activities on a 1:2 ratio match (Nutrition MDTF:IDA).

**Bank-Executed Activities**

- **Supporting the country pipeline:** Various Bank-Executed activities are expected to be financed to develop and support the pipeline of Recipient-Executed projects, including:
  - Analytic and Advisory Activities ("AAA") including, but not limited to, country nutrition situation analyses, development of advocacy materials (print and multimedia), and costed national nutrition plans.
  - Provision of technical assistance to countries for capacity development, including, but not limited to, country- and regional training programs, peer learning through...
South-South sharing, and costing of national nutrition plans in preparation for design/implementation of high quality nutrition programs.

- Design and preparation of nutrition projects and project components.
- Supervision of Recipient-executed activities.
- Monitoring and evaluation of all Recipient-executed program achievements, including at least one independent impact evaluation for every three Recipient-executed programs supported by the Nutrition MDTF, and management of the overall program financed by the Nutrition MDTF.
- Program management, administration and operational activities for the Nutrition MDTF.

12. **Allocation of Financing:** This table indicates how funding from Donors to the Nutrition MDTF would be anticipated to be allocated across the different activities. The budgeted proportions may vary over time with the consent of the Donors on the Steering Committee, for example as additional funds are added to the Nutrition MDTF. The Donors recognize that the Bank has a full-cost recovery model for trust fund management, meaning that program management charges are not charged as a fixed percentage but instead a request is made based on the business case of what is required.

<table>
<thead>
<tr>
<th>Activities</th>
<th>Planned Output(s)</th>
<th>Indicative Budget (may be varied over time)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recipient-Executed Activities</td>
<td>Co-investment for IDA programs (Nutrition-specific activities only)</td>
<td>At least 85%</td>
</tr>
<tr>
<td>Program Management</td>
<td>Program management and administration, reporting, annual meeting, annual report</td>
<td>Up to 3%</td>
</tr>
<tr>
<td>Bank-Executed Activities</td>
<td>Analytic products, project preparation, project supervision, monitoring and impact evaluation may be linked to the origination and execution of Recipient-Executed programs supported by the MDTF</td>
<td>Up to 10%</td>
</tr>
<tr>
<td>Trust Fund Administration fee</td>
<td></td>
<td>2%</td>
</tr>
</tbody>
</table>

13. **Contribution:** The Contribution is being provided in Instalments on the basis of financial needs of the Trust Fund, such that if the speed of the implementation of the activities to be financed by the Trust Fund makes it necessary either to bring Instalments forward or to delay them, the Instalments schedule shall be amended as agreed by the Bank and the Donor. The Bank shall use best endeavours to promptly obtain any necessary internal consents and/or approvals to enable the satisfaction of the Donor’s payment obligations under this Agreement in the form of soft (uncollateralised) promissory notes. Subject to the Bank obtaining such internal consents and/or approvals, the Donor may satisfy each such payment obligation in the form of a soft promissory note, provided that the Initial Amount shall be paid by the Donor in cash. For the avoidance of doubt, if such internal consents and/or approvals have not been obtained by the Bank on or before the applicable payment due date, the Donor shall satisfy such payment in cash.

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1 Percentage may change as additional funds are added to the Nutrition MDTF to reflect the appropriate proportion of program management and administration costs.

2 To be reduced to 1% on instalments when the aggregate of Contributions to the Trust Fund pursuant to the Administration Agreement is equal to or greater than USD 100,000,000 and in line with the cost recovery policy in place at the time of such amendment will govern.
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

By: Timothy Grant Evans
   Senior Director, Health, Nutrition and Population
   Date: 16 April 2015

THE POWER OF NUTRITION

By: Michael Anderson
   Chairman of the Board
   The Power of Nutrition
   Date: 16 April 2015
**HIGHER LEVEL OBJECTIVE**

Reduce child undernutrition (stunting, wasting, micronutrient deficiencies) in order to reduce child mortality, increase healthy child growth and development, increase economic productivity, reduce extreme poverty and increase shared prosperity for the poorest 40% of populations.

**KPIs:**
- Under-five stunting prevalence; under-five wasting prevalence; under-five anemia prevalence

**Data sources:** National health surveys such as DHS and MICS and impact evaluations.

**Targets:** Country specific targets (set by national or state governments) will be monitored.

**STRATEGIC OBJECTIVE**

Scale up of investments in nutrition programs in selected countries to deliver evidence-based interventions.

**KPI:** Number of new IDA investments in nutrition in World Bank Group-supported projects in select high burden stunting countries.

**Data sources:** World Bank Investment statistics.

**Target:** 3-5 new nutrition components/projects identified and committed to by end of 2017 in high burden IDA countries.

<table>
<thead>
<tr>
<th>Intermediate Result 1</th>
<th>Intermediate Result 2</th>
<th>Intermediate Result 3</th>
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<tbody>
<tr>
<td>Increased provision and utilization of key nutrition services by target populations KPI: Number of pregnant and lactating women, adolescent girls and/or children under age five reached with essential nutrition-specific services. Data sources: WB project statistics. Target (Illustrative): 25% increase over baseline by 2019.</td>
<td>Increased WBG leadership on nutrition through leveraged IDA funds for nutrition KPI (Illustrative): Proportion of WBG Health, Nutrition and Population (HNP) sector investments in high burden IDA countries going to nutrition interventions/programs. Data sources: WB Investment statistics. Target (Illustrative): 20% increase over baseline by 2019. Increased number of IDA nutrition investments with co-financing from the MDTF.</td>
<td>Increased country capacity in nutrition in select high burden countries KPI (Illustrative): Coverage of nutrition in pre-service/in-service and other project training curricula across healthcare worker training programs. Data sources: WB project statistics. Target (Illustrative): 60% of health worker training programs incorporate modules on nutrition by 2019.</td>
</tr>
<tr>
<td>1.1 Increased availability of essential nutrition-specific services and commodities</td>
<td>2.1 Increased number of analytic products on nutrition produced by the WBG</td>
<td>3.1 Increased number of national nutrition strategies in WBG client countries include training programs/approaches to address gaps in nutrition technical competencies at all levels of health workers.</td>
</tr>
<tr>
<td>1.2 Improved information systems for tracking coverage of target populations with nutrition-specific services</td>
<td>2.2 Increased number of IDA nutrition investments with co-financing from the MDTF. Increase in request from countries for nutrition AAA and or investment lending.</td>
<td>3.2 Improved nutrition technical competencies among nutrition program administrators and project implementers in WBG-supported projects/programs.</td>
</tr>
</tbody>
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3 Includes countries in AFR and SAR with child stunting prevalence > 30% and affected population > 250,000 children.

4 See Table 1 *Evidence-based interventions to reduce maternal and child undernutrition*