Global Partnership for Education Fund

Grant Agreement

(Nigeria Partnership for Education Project)

between

FEDERAL REPUBLIC OF NIGERIA

and

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
and INTERNATIONAL DEVELOPMENT ASSOCIATION

acting as supervising entity of the Global Partnership for Education Fund

Dated MAY 22, 2015
The Recipient and the World Bank hereby agree as follows:

**Article I**

**Standard Conditions; Definitions**


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**

**The Project**

2.01. The Recipient declares its commitment to the objectives of the project described in Schedule 1 to this Agreement ("Project"). To this end, the Recipient shall: (a) cause Parts 1 and 2 of the Project to be carried out by the Selected States in their respective jurisdictions; and (b) carry out Part 3 of the Project, through the Federal Ministry of Education and UBEC, all in accordance with the provisions of Article II 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 Project 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 equal to one
hundred million United States Dollars (USD 100,000,000) ("Grant") to assist in financing the Project.

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
Effectiveness; Termination

4.01. 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) Subsidiary Agreement has been executed on behalf of the Recipient and at least one Selected State in accordance with the provisions of Section I.B of Schedule 2 to this Agreement and the same state has adopted the Project Implementation Manual, in form and substance satisfactory to the World Bank.

(b) The Recipient, through the Federal Ministry of Education, has prepared and adopted the Project Implementation Manual, in form and substance satisfactory to the World Bank.

4.02. 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 4.01 ("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.

4.03. This Agreement and all obligations of the parties under it shall terminate if it has not entered into effect by the date one hundred eighty (180) 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 V
Recipient's Representative; Addresses

5.01. The Recipient's Representative referred to in Section 7.02 of the Standard Conditions is its federal minister at the time responsible for finance.

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

Federal Ministry of Finance
Ahmadu Bello Way
Abuja, Federal Republic of Nigeria

Facsimile: 234 9 6273609

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

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

Cable: INTBAFRAD
Telex: 248423 (MCI) or 64145 (MCI)
Facsimile: 1-202-477-6391

Washington, D.C. 64145 (MCI)
AGREED at Abuj a, Nig er ia, as of the day and year first above written.

FEDERAL REPUBLIC OF NIGERIA

By

[Signature]

Name: Dr. Ngozi Okonjo-Iweala
Title: Minister of Finance

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT AND
INTERNATIONAL DEVELOPMENT ASSOCIATION

acting as supervising entity of the Global Partnership for Education Fund

By

[Signature]

Authorized Representative

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

Project Description

The objective of the Project is to improve access and quality of basic education in selected States, with particular attention to girls’ participation.

The Project consists of the following parts:

PART 1: Promoting School Effectiveness and Improved Learning Outcomes

a. Provision of School Improvement Grants to eligible primary schools for the purpose of funding a program of select activities as set forth in the School Improvement Plan, such a program to include such activities as rehabilitation of classrooms and other related school infrastructure, learning activities and acquisition of materials and equipment required to improve the students’ learning outcomes and performance.

b. Provision of School Improvement Grants to eligible pre-primary schools, for the purpose of funding a program of select activities as set forth in the School Improvement Plan, such a program to include such activities as learning and teaching activities and acquisition of materials and equipment required to improve the students’ learning outcomes and performance.

c. Carrying out a program of activities to support professional development of primary school teachers, mentor teachers and head teachers - including developing and strengthening their skills in the core areas of reading, writing and mathematics.

PART 2: Increasing Access to Basic Education for Out-of-School Children with a Focus on Girls

Supporting interventions aimed at increasing enrollment and retention in primary schools of out of school children through, *inter alia*, the following activities:

a. Supporting Selected States’ scholarship schemes designed to encourage girls to attend school through provision of Scholarships.

b. Carrying out a program designed to increase in the number of qualified female teachers by awarding of Scholarships for domestic non-degree training to successful candidates to acquire professional qualification (including National Certification of Education) in the fields relevant to their teaching work and such a program to include scholarships program management, including matching of scholars to institutions and courses, payment of tuition fees to institutions and living and supplies stipends to scholars, and monitoring of scholars.
c. Carrying out a program of activities designed to promote girls' education, including information and sensitization campaigns, community outreach and mobilization and awareness campaigns to increase enrollment of girls in schools.

d. Carrying out training of School Based Management Committees (SBMCs) on grant management, planning and governance.

PART 3: **Strengthening Planning and Management Systems Including Learning Assessment and Capacity Development**

a. Carrying out of a program of activities to support Project management and implementation, including: (i) Project management and supervision including procurement and financial management and technical audits; (ii) Project coordination, monitoring and communication activities including strengthening of Education Management Information System and supporting independent third party monitoring of the Project activities; (iii) capacity building of relevant staff in agencies involved in the execution of the Project; and (iv) provision of technical assistance to support key education reforms including carrying out studies and developing a strategy for integrating islamiyya and pre-primary schools within public basic education system.

b. Carrying out of a program of activities designed to build and strengthen institutional capacity - and support monitoring and evaluation of education sector at state and local government levels, such a program to include such activities as: (i) providing technical and operational support to SUBEB and LGEA in monitoring and supervising Project activities; (ii) the design and delivery of the early grade reading assessment surveys; (iii) strengthening of national learning assessment system; and (iv) and carrying out of impact evaluation of select aspects of the project as well as annual audit of the School Improvement Grant program.
SCHEDULE 2

Project Execution

Section I. Institutional and Other Arrangements

A. Institutional and Implementation Arrangements

Institutional Arrangements at the Federal Level

1. Federal Project Steering Committee

   (a) The Recipient shall not later than June 15, 2015, establish and thereafter maintain, throughout the implementation of the Project, a Federal Project Steering Committee with functions, composition and resources satisfactory to the World Bank.

   (b) Without limitation to the provisions of sub-paragraph (a) of this Part A.1, the Federal Project Steering Committee Unit shall be chaired by the Recipient’s Federal Minister of Education or designate and shall be responsible for overall coordination, knowledge sharing and oversight of Project implementation.

2. Federal Project Support Unit

   (a) The Recipient shall not later than June 1, 2015, establish and thereafter maintain, throughout the implementation of the Project, a Federal Project Management Unit within the Federal Ministry of Education with functions and resources satisfactory to the World Bank and with staff in adequate numbers and with terms of reference, qualifications and experience satisfactory to the World Bank.

   (b) Without limitation to the provisions of sub-paragraph (a) of this Part A.2, the Federal Project Management Unit shall be responsible for, inter alia, Project administration at the federal level.

3. Federal Project Financial Management Division

   The Recipient shall dedicate and retain throughout the implementation of the Project staff from the accounting unit of FPFMD, in adequate numbers and with qualifications and terms of reference satisfactory to the World Bank, to be responsible for the financial management of the Project in accordance with the provisions of this Agreement including, but not limited to the preparation of budgets, monthly reports, interim unaudited financial reports, and annual financial statements.
4. **Universal Basic Education Commission**

The Recipient shall ensure that the Universal Basic Education Commission shall maintain within its structure, throughout the implementation of the Project, a Project implementation structure tasked with implementing its functions under the Project, with functions, status, staffing and resources satisfactory to the World Bank.

**Institutional Arrangements at the State Level**

5. **State Project Steering Committees**

(a) The Recipient shall cause each Selected State to establish and thereafter maintain a State Project Steering Committee, each with mandate, composition and resources satisfactory to the World Bank.

(b) Without limitation to the provisions of sub-paragraph (a) of this Part A.5, each SPSC shall be chaired by the Commissioner in the respective State Ministry of Education or his/ her designate and shall be responsible for coordinating and overseeing implementation of Parts 1 and 2 of the Project at the state level.

6. **State Project Technical Committees**

(a) The Recipient shall ensure that each Selected State shall, through its SMoE, maintain, throughout the implementation of the Project, a Project technical committee at state level, each with functions and resources satisfactory to the World Bank, and with staff in adequate numbers and with terms of reference, qualifications and experience satisfactory to the World Bank (State Project Technical Committee or SPTC).

(b) Without limitation to the provisions of sub-paragraph (a) of this Part A.6, each SPTC shall be composed of a State project coordinator and shall be responsible for *inter alia*, providing support to SPSC on technical matters providing overall technical guidance on the implementation of the Selected State’s Respective Parts of the Project.

7. **State Universal Basic Education Boards**

The Recipient shall ensure that Universal Basic Education Commission shall maintain within each Selected State, throughout the implementation of the Project, a state universal education board with functions, composition and resources satisfactory to the World Bank.
8. **State Project Financial Management Units**

The Recipient shall cause each Selected State to dedicate and retain, throughout the implementation of the Project, staff from the accounting and internal audit units of its SPFMU, in adequate numbers and with qualifications, experience and terms of reference satisfactory to the World Bank, to be responsible for the financial management of the Selected State’s Respective Part of the Project in accordance with the provisions of this Agreement including, but not limited to the preparation of budgets, monthly reports, interim unaudited financial reports, and annual financial statements.

9. **Institutional Arrangements at the LGA and School Level**

(a) The Recipient shall ensure that each LGA of the Selected States shall maintain within its structure, throughout the implementation of the Project, education officials with functions and resources satisfactory to the World Bank.

(b) Without limitation to the provisions of paragraph 9(a) above, the education officials of the LGAs of each Selected States shall be responsible for, *inter alia*: (i) developing communication plans for the involvement of local community in primary education management and oversight; (ii) preparing and making publicly available their budgets; (iii) overseeing the environmental and social safeguards management of, coordinating, and facilitating Project activities at the LGA and school-level; (iv) conducting monthly visits to schools and collecting information on the basis of a standardized form, set out in the PIM; and (v) assisting SMoE in data collection, administration of schools, coordination of decentralization of functions and capacity support to SMBCs.

10. **School-Based Management Committees**

(a) The Recipient shall ensure that each school of the Selected States shall maintain, throughout the implementation of the Project, school-based management committees with functions, status, staffing and resources satisfactory to the World Bank.

(b) Without limitation to the provisions of paragraph 10(a) above, each SBMC shall be responsible for, *inter alia*: (i) supervising school activities and improving school performance; (ii) school maintenance; (iii) preparing budgets and keeping financial records of school
expenditures; (iv) promoting participation of local communities in school management; and (v) facilitating school audits.

B. Subsidiary Agreement

1. To facilitate the carrying out of Parts 1 and 2 of the Project, the Recipient shall make part of the proceeds of the Grant allocated from time to time to Category (1-5) of the table set forth in Section IV.A.2 of this Schedule available to each Selected State under a subsidiary agreement between the Recipient and each Selected State, under terms and conditions approved by the World Bank ("Subsidiary Agreement"), which shall include, inter alia:

(a) the principal amount of the financing allocated to the respective Selected State ("Subsidiary Financing");

(b) the Recipient shall obtain rights adequate to protect its interests and those of the World Bank, including the right to: (i) suspend or terminate the right of the Selected State to use the proceeds of the Subsidiary Financing, or declare to be immediately due and payable or obtain a refund of all or any part of the amount of the Subsidiary Financing then withdrawn, upon the Selected State's failure to perform any of its obligations under the Subsidiary Agreement; and (ii) require each Selected State to:

(A) carry out its Respective Part of the Project with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, environmental and social standards and practices satisfactory to the World Bank, including in accordance with the provisions of this Agreement, including the ESMF and relevant Safeguard Documents, the PIM, and the Anti-Corruption Guidelines applicable to recipients of loan proceeds other than the Recipient;

(B) provide, promptly as needed, the resources required for the purpose;

(C) ensure that any goods, works and services to be financed out of the Subsidiary Financing are procured in accordance with the provisions of this Agreement;

(D) maintain policies and procedures adequate to monitor and evaluate in accordance with indicators acceptable to the World Bank, the progress of its Respective Parts of the Project and the achievement of the objective of the Project;
(E) maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the World Bank, both in a manner adequate to reflect the operations, resources and expenditures related to its Respective Parts of the Project; and have such financial statements audited annually by independent auditors acceptable to the World Bank, in accordance with consistently applied auditing standards acceptable to the World Bank, and promptly furnish the statements as so audited to the Recipient and the World Bank, but in any event not later than 6 months after the end of each Fiscal Year;

(F) enable the Recipient and the World Bank to inspect the Selected State’s Respective Parts of the Project, its operation and any relevant records and documents;

(G) permit the World Bank to make the Subsidiary Agreement and all financial statements audited pursuant to sub-paragraph above available to the public in accordance with the World Bank’s policies on access to information; and

(H) prepare and furnish to the Recipient and the World Bank all such information as the Recipient or the World Bank shall reasonably request relating to the foregoing.

2. The Recipient shall exercise its rights and perform its obligations under the Subsidiary Agreement in such manner as to protect the interests of the Recipient and the World Bank and to accomplish the purposes of the Grant. Except as the World Bank shall otherwise agree in writing, the Recipient shall not assign, amend, abrogate or waive the Subsidiary Agreement or any of its provisions.

C. Anti-Corruption

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

D. Project Implementation Manual

1. To ensure the proper implementation of the Project, the Recipient shall prepare a manual, satisfactory to the World Bank, for the implementation of the Project. Said manual shall include, inter alia: (i) institutional arrangements for the management of the Project (including allocation of responsibilities among
different entities and their staff involved in project implementation, yearly planning of activities and budget and time allocation for those activities; (ii) internal control systems, financial management and accounting procedures annexes; (iii) detailed arrangements for the overall carrying out of the Project (including, inter alia, the procurement as well as environmental and social management frameworks and plans) to be followed during Project implementation by the Recipient; (iv) capacity building plan; (v) a detailed communication plan as well as social accountability tools proposed to be utilized for Project purposes; and (vi) the guidelines and indicators for Project monitoring and evaluation.

2. Without limitation to the provision of sub-paragraph 1 above, the manual referred to the above sub-paragraph shall have an annex containing provisions guiding the implementation of the School Improvement Grant program (the School Improvement Grants Manual) which will, as a minimum, address the following elements of the School Improvement Grant program: (i) eligibility criteria for potential beneficiary schools; (ii) detailed conditions to be met by potential beneficiaries in order to receive the proposed School Improvement Grants; (iii) mechanisms for delivery of the proposed School Improvement Grants; (iv) eligible expenditures for using the proceeds of such School Improvement Grants; and (v) monitoring and evaluation system, including details on how to audit the program and how to handle complaints and appeals in a timely manner.

3. The Recipient shall: (i) furnish to and exchange views with the World Bank on such manual promptly upon its preparation; and (ii) thereafter adopt (and cause to be adopted) such manual as shall have been approved by the World Bank (Project Implementation Manual or PIM), and implement the Project (and cause the Project to be implemented) in accordance with the Project Implementation Manual.

4. The Recipient shall ensure - and shall cause each Selected State to ensure that the Project is carried out in accordance with the arrangements and procedures set out in the PIM (provided, however, that in case of any conflict between the arrangements and procedures set out in the PIM and the provisions of this Agreement, the provisions of this Agreement shall prevail), and shall not amend, abrogate or waive, or permit to be amended, abrogated or waived, the PIM or any of its provisions without prior approval in writing by the World Bank.

E. Donor Visibility and Visit

1. The Recipient shall take or cause to be taken all such measures as the World Bank may reasonably request to identify publicly the Donor’s support for the Project.
2. For the purposes of Section 2.09 of the Standard Conditions, the Recipient shall, upon the World Bank’s request, enable the representatives of the Donor(s) to visit any part of the Recipient’s territory for purposes related to the Project.

F. Safeguards

1. The Recipient shall ensure that the Project is carried out in accordance with the provisions of the ESMF and any other Safeguard Document prepared or to be prepared by the Recipient in accordance with sub-paragraph 2 below.

2. Whenever a Safeguard Document shall be required for any proposed Project activity in accordance with the provisions of the ESMF, the Recipient shall:

   (a) prior to the commencement of such activity, proceed to have such Safeguard Document: (i) prepared in accordance with the provisions of the ESMF as the case may be; (ii) furnished to the World Bank for review and approval; and (iii) thereafter adopted and disclosed as approved by the World Bank, in a manner acceptable to the World Bank; and

   (b) thereafter take such measures as shall be necessary or appropriate to ensure compliance with the requirements of such Safeguard Document.

3. The Recipient shall not amend, abrogate or waive, or permit to be amended, abrogated or waived, the ESMF, and any Safeguard Document adopted or to be adopted in accordance with the provisions of paragraph 2 of this Part F, unless the World Bank has provided its prior approval thereof in writing, and the Recipient has complied with the same consultation and disclosure requirements as applicable to the original adoption of the said instruments.

4. Without limitation on its other reporting obligations under this Agreement, the Recipient shall collect, compile and submit to the World Bank each calendar semester (or at such other frequency as may be agreed with the World Bank) consolidated reports on the status of compliance with the ESMF, and any other Safeguard Documents, as applicable - giving details of: (a) measures taken in furtherance of the said instruments and implementation of said report; (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of the said measures; and (c) remedial measures taken or required to be taken to address such conditions.

G. Annual Work Plan

1. The Recipient, through the Federal Ministry of Education, shall prepare and furnish to the World Bank not later than December 1 of each year during the implementation of the Project (or such later date as the World Bank may agree)
for the World Bank’s approval, a consolidated annual work plan and related budget containing all eligible Project activities and expenditures at the federal and state levels proposed to be included in the Project for the following Fiscal Year, including the amount, allocation and schedule of disbursement of federal and Selected States’ counterpart funds required for the financing of activities and expenditures required for the efficient implementation of the Project in accordance with this Agreement.

2. The Recipient shall: (i) furnish to and exchange views with the World Bank on such annual work plan and related budget promptly upon its preparation; and (ii) thereafter adopt such plan and budget as shall have been approved by the World Bank (Annual Work Plan and Budget).

3. The Recipient shall ensure that the Project is implemented in accordance with the Annual Work Plan and Budget approved by the World Bank for the respective Fiscal Year, and shall ensure that the Recipient’s and Selected States’ counterpart funds required for the Project and specified in the Annual Work Plan and Budgets are duly committed and promptly paid as and when required for the purposes of the Project; provided, however, that in case of any conflict between the Annual Work Plan and Budget and the provisions of this Agreement, the provisions of this Agreement shall prevail.

4. The Recipient shall not make or allow to be made any change to the Annual Work Plan and Budget without prior approval in writing by the World Bank.

H. School Improvement Grants Program

1. For the purpose of carrying out Part 1(a) and/or 1(b) of the Project, the Recipient shall ensure that each Selected State shall, through State Project Technical Committee, make to SBMCs School Improvement Grants, in accordance with criteria and procedures acceptable to the World Bank and specified in the SIG Manual, which shall include:

(a) Existence of an active SBMC in the eligible school;

(b) submission of an approved School Improvement Plan;

(c) the school has a functioning School Account;

(d) in the case of succeeding School Improvement Grant, the following two additional requirements will apply: (i) implementation of at least 80% of the activities in the preceding approved School Improvement Plan; and (ii) submission of satisfactory audit report on the use of funds under the preceding School Improvement Grant.
2. In order to comply with its fiduciary responsibilities under the Project, the Recipient shall (and shall cause each Selected State to): (a) determine, on the basis of an appraisal in accordance with procedures and guidelines set forth in the SIG Manual, that a proposed School Improvement Plan satisfies the eligibility criteria to receive a School Improvement Grant, in accordance with the SIG Manual; (b) ensure that each SBMC carries out its respective activities set forth in the approved School Improvement Plan, in conformity with the SIG Manual; and (c) refrain, and cause each SBMC to refrain, from amending, waiving, terminating, suspending and/or abrogating the SIG Manual, whether in whole or in part, without the prior written approval of the World Bank.

I. Scholarship under Part 2(a) of the Project

1. For the purpose of carrying out Part 2(a) of the Project, the Recipient shall provide Scholarships to eligible students in accordance with eligibility criteria acceptable to the World Bank and specified in the Project Implementation Manual, which shall include, inter alia:

   (a) the Scholarships shall be provided to female students enrolled in primary schools (grades 1 to 4) in academic year 2016-2019;

   (b) the Scholarships for each eligible student shall be in the amount acceptable to the World Bank, and shall payable semi-annually for each semester; and

   (c) the selected students shall be eligible to receive the Scholarships provided that they remain enrolled in primary school and maintain a minimum of 70% school attendance while receiving the Scholarship, as defined in the Project Implementation Manual.

2. The State Project Financial Management Unit shall administer the provision of Scholarships to eligible students, all in accordance with the arrangements and procedures set out in the Project Implementation Manual, in such manner as to ensure that the Scholarships reach their intended beneficiaries.

J. Scholarship under Part 2(b) of the Project

1. For the purpose of carrying out Part 2(b) of the Project, the Recipient shall provide Scholarships to eligible teachers (Scholars) in accordance with eligibility criteria acceptable to the World Bank and specified in the Project Implementation Manual, which shall include, inter alia:

   (a) the proposed Scholar: (i) has been nominated by his / her employing unit for an eligible program and field of study as identified in the Project Implementation Manual; (ii) meets the age and academic performance
requirements set out in the Project Implementation Manual; and (iii) is a full member of the Selected States' civil service;

(b) the proposed academic institution for the Scholarship Activity meets the quality assurance standards set out in the Project Implementation Manual;

(c) the Scholarships for each eligible Scholar shall be in the amount acceptable to the World Bank, and shall be payable semi-annually for each semester; and

(d) the selected Scholar shall be eligible to receive the Scholarships provided that they remain enrolled in the academic institution and receive adequate marks while receiving the Scholarship, as defined in the Project Implementation Manual.

2. **Terms and Conditions.** A Scholarship Activity shall be carried out pursuant to a Scholarship Agreement, to be concluded between the Recipient, represented by the respective Selected State, and the Scholar under terms and conditions satisfactory to the Recipient and the World Bank, described in further detail in the Project Implementation Manual, which shall include the following:

(a) a description of the Scholarship Activity and its budget;

(b) provision of the Scholarship on a grant basis;

(c) the obligation of the Scholar to carry out and successfully complete the Scholarship Activity: (i) with due diligence and efficiency; and (ii) in accordance with the Project Implementation Manual;

(d) the obligation of the Scholar to furnish to the Recipient records reflecting the carrying out of the Scholarship Activity upon completion of each academic term and the Scholarship Activity;

(e) the requirements that the proceeds of the Scholarship shall be used exclusively in the carrying out of the Scholarship Activity; and

(f) the right of the respective State, on behalf of the Recipient, and of the Recipient in its own right, to: (i) obtain all information as it, or the World Bank, shall reasonably request regarding the administration, operation, and financial condition of the Scholarship Activity; and (ii) suspend or terminate the right of the Scholar to use the proceeds of the Scholarship, or obtain a refund of all or any part of the amount of the Scholarship then withdrawn, as the case may be, upon failure by the Scholar to perform any of his or her obligations under the Scholarship Agreement.
Section II.  Project Monitoring, Reporting and Evaluation

A.  Project Reports; Completion Report

1.  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 calendar year, and shall be furnished to the World Bank not later than one month after the end of the period covered by such report.

2.  The Recipient shall prepare the Completion Report in accordance with the provisions of Section 2.06 of the Standard Conditions. The Completion Report shall be furnished to the World Bank not later than six months after the Closing Date.

B.  Financial Management; Financial Reports; Audits

1.  The Recipient shall ensure that a financial management system is maintained in accordance with the provisions of Section 2.07 of the Standard Conditions.

2.  The Recipient shall ensure that interim unaudited financial reports for the Project are prepared and furnished to the World Bank not later than forty-five (45) days after the end of each calendar quarter, covering the quarter, in form and substance satisfactory to the World Bank.

3.  The Recipient shall have its Financial Statements for the Project audited in accordance with the provisions of Section 2.07(b) of the Standard Conditions. Each such 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 III.  Procurement

A.  General

1.  Procurement and Consultant Guidelines. All goods, works, non-consulting-services and consultants' 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:

   (a)  Section I of the Procurement Guidelines", in the case of goods, works and non-consulting services, and Sections I and IV of the Consultant Guidelines in the case of consultants' services; and
the provisions of this Section III, as the same shall be elaborated in the procurement plan prepared and updated from time to time by the Recipient for the Project in accordance with paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines ("Procurement Plan").

2. Definitions. The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the World Bank of particular contracts, refer to the corresponding method described in Sections II and III of the Procurement Guidelines, or Sections II, III, IV and V of the Consultant Guidelines, as the case may be.

B. Particular Methods of Procurement of Goods, Works and Non-consulting Services

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

2. **Other Methods of Procurement of Goods, Works and Non-consulting Services.** The following methods, other than International Competitive Bidding, may be used for procurement of goods, works and non-consulting services for those contracts specified in the Procurement Plan: (a) Limited International Bidding; (b) National Competitive Bidding; (c) Shopping; (d) procurement under Framework Agreements in accordance with procedures which have been found acceptable to the World Bank; (e) Direct Contracting; (f) Force Account; (g) Procurement from UN Agency; (h) Well-established Private Sector Procurement Methods or Commercial Practices which have been found acceptable to the World Bank; and (i) Community Participation procedures which have been found acceptable to the World Bank.

C. Particular Methods of Procurement of Consultants’ Services

1. **Quality- and Cost-based Selection.** Except as otherwise provided in paragraph 2 below, consultants’ services shall be procured under contracts awarded on the basis of Quality- and Cost-based Selection.

2. **Other Methods of Procurement of Consultants’ Services.** The following methods, other than Quality- and Cost-based Selection, may be used for procurement of consultants’ services for those assignments which are specified in the Procurement Plan: (a) Quality-based Selection; (b) Selection under a Fixed Budget; (c) Least Cost Selection; (d) Selection based on Consultants’ Qualifications; (e) Single-source Selection of consulting firms; (f) Well-established Private Sector Procurement Methods or Commercial Practices which have been found acceptable to the World Bank; (g) Selection of UN Agency;
(h) Selection of consultants under Indefinite Delivery Contract or Price Agreement; (i) Selection of Individual Consultants; and (j) Single-source procedures for the Selection of Individual Consultants.

D. **Review by the World Bank of Procurement Decisions**

The Procurement Plan shall set forth those contracts which shall be subject to the World Bank’s Prior Review. All other contracts shall be subject to Post Review by the World Bank.

E. **Other Procurement Covenants.**

The Recipient shall, not later than three (3) months after the Effective Date:
(a) establish a procurement records management system including procurement and grant track systems; (b) organize training for SBMCs on School Improvement Grant management including contracting and monitoring arrangements; and (c) establish a system for receiving and responding to procurement complaints, all of the above in form and substance satisfactory to the World Bank.

**Section IV. Withdrawal of Grant Proceeds**

A. **General**

1. The Recipient may withdraw the proceeds of the Grant in accordance with the provisions of: (a) Article III of the Standard Conditions; (b) this Section; and (c) such additional instructions as the World Bank may 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 World Bank and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the table in paragraph 2 below.

2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Grant (“Category”), the allocations of the amounts of the Grant to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:
<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Grant Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) School Improvement Grants under Parts 1(a) and 1(b) of the Project and Scholarships under Parts 2(a) and 2(b) of the Project</td>
<td>63,000,000</td>
<td>100% of amounts disbursed</td>
</tr>
<tr>
<td>(2) Goods, non-consulting services, consultants’ services, Training, Operating Costs under Parts 1(c), 2(c), 2(d) and 3 of the Project</td>
<td>37,000,000</td>
<td>100%</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>100,000,000</strong></td>
<td></td>
</tr>
</tbody>
</table>

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.

2. The Closing Date referred to in Section 3.06(c) of the Standard Conditions is June 29, 2019.

Section V. **Other Undertakings**

1. The Recipient shall have a technical audit of Project activities undertaken annually by independent auditors with terms of reference, qualifications and experience satisfactory to the World Bank, and shall submit such audit reports to the World Bank not later than six (6) months after the end of each respective annual period.

2. The Recipient shall, not later than six (6) months after the Effective Date, recruit an external auditor with terms of reference, qualifications and experience satisfactory to the World Bank.
APPENDIX - DEFINITIONS

1. "Annual Work Plan and Budget" means each annual work plan, together with the related budget, for the Project approved by the World Bank pursuant to the provisions of Section I.G.2 of Schedule 2 to this Agreement.


3. "Category" means a category set forth in the table in Section IV of Schedule 2 to this Agreement.


5. "Education Management Information System" or "EMIS" means an information system for education management set up by the Recipient for the purpose of collecting, analyzing and reporting on education data.

6. "ESMF" means the Recipient’s environmental and social management framework document - disclosed on Infoshop on March 6, 2015, with report number E4286 - setting forth the modalities for environmental screening and procedures/actions for the preparation and implementation of environmental and social assessments and management plans under the Project, and such term includes any schedule and/or annex to said framework.

7. "ESMP" means, for a given Project activity, an environmental and social management plan prepared by the Recipient in accordance with the ESMF pursuant to Section 1.F.2 of Schedule 2 to this Agreement; and “ESMPs” means, collectively, all such plans.

8. "Federal Ministry of Education" means the Recipient’s ministry responsible for education and any successor thereto.

9. "Federal Ministry of Finance" means the Recipient’s ministry responsible for finance and any successor thereto.

10. "Federal Project Steering Committee" means the Recipient’s entity whose responsibilities are set out in Section I.A.1 of Schedule 2 to this Agreement, or any successor thereto.

11. "Federal Project Support Unit" means the unit to be maintained by the Recipient in accordance with the provisions of Section I.A.2 of Schedule 2 to this Agreement.
12. "Fiscal Year" means the fiscal year of the Recipient which commences on January 1 and ends on December 31 of the same year.

13. "FPFMD" means the federal project financial management division of the Recipient’s Office of the Accountant General, and any successor thereto, referred to in Section I.A.3 of Schedule 2 to this Agreement.

14. "LGA" means a local government authority established and operating in the territory of each Selected State pursuant to the laws of the Recipient; and "LGAs" means, collectively, all such local government authorities.

15. "LGEA" means education division within the local government authority established and operating in each Selected State pursuant to the laws of the respective Selected State; and "LGEAs" means, collectively, all such education divisions.

16. "National Learning Assessment System" means a national system of periodic assessment of student learning outcomes - including a set of assessment tools and practices such as early grade reading assessment - carried out by Federal Ministry of Education and designed to inform education policy and practice in the Federal Republic of Nigeria.

17. "Operating Costs" means the incremental expenditures under the Project – based on the Annual Work Plan and Budget approved by the World Bank - incurred by the Recipient for purposes of Project management, implementation, and monitoring and evaluation, on account of utilities and supplies, bank charges, communications, vehicle operation, maintenance, and insurance, office space rental, building and equipment maintenance, public awareness-related publicity and media expenses, travel and subsistence, and salaries of contractual and temporary staff, but excluding salaries, bonuses, fees, or honoraria of members of the Recipient’s civil service.


19. "Project Implementation Manual" or “PIM” means the manual referred to in Section I.D.3 of Schedule 2 to this Agreement as the same may be amended from time to time with the prior written agreement of the World Bank.

20. "Procurement Plan" means the Recipient's procurement plan for the Project, dated March 25, 2015, and referred to in paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.
21. "Respective Part of the Project" means, in respect of each Selected State, the activities approved for inclusion in the Project and to be carried out within the Selected State's jurisdiction.

22. "SBMCs" means the school based management committees of each Selected State.

23. "Safeguard Documents" means collectively or individually the ESMPs and ESIs prepared in connection with the Project, if any.

24. "Scholar" means a female staff member of a Selected States' public primary schools teaching cadre to whom or for whose benefit a Scholarship (as hereinafter defined) is made or proposed to be made in accordance with the eligibility criteria specified in Section I.J of Schedule 2 to this Agreement and in further detail in the Project Implementation Manual.

25. "Scholarship" means a scholarship which could be in the form of a cash award provided or proposed to be provided to eligible recipients under Parts 2(a) or 2(b) of the Project in accordance with the eligibility criteria and arrangements set out in this Agreement and the Project Implementation Manual.

26. "Scholarship Activity" means a specific activity carried out under Part 2(b) of the Project, financed or proposed to be financed through a Scholarship in accordance with the eligibility criteria specified in Section I.J of Schedule 2 to this Agreement and in further detail in the Project Implementation Manual.

27. "School Account" means the segregated account opened by a participating school in a commercial bank for depositing the proceeds of the School Improvement Grant.

28. "School Improvement Grant Manual" or "SIG Manual" mean the manual to be prepared and adopted by each Selected State, in form and substance acceptable to the World Bank, containing comprehensive rules for the operation of the School Improvement Grant program including composition, roles and functions of SBMCs, criteria and procedures for preparing and approving School Improvement Plans, operational guidelines to include simplified procurement, financial management, and record-keeping procedures for the use of the proceeds of the School Improvement Grant, performance criteria and corresponding rankings for assessing the implementation of the School Improvement Plan by each SBMC.

29. "School Improvement Grant" means a transfer of funds in the form of a non-refundable grant made or proposed to be made by the respective Selected State to a SBMC, to assist in financing the carrying out of the activities set forth in the approved School Improvement Plan by said SBMC under Parts 1(a) and 1(b) of
the Project, in accordance with the provisions of: a) this Agreement; and (b) the SIG Manual.

30. "School Improvement Plan" means an annual plan developed by each SBMC, setting forth the activities to be carried out by said SBMC, and also detailed strategies, plans, budget and schedule required for this purpose, in accordance with the SIG Manual.

31. "Selected State" means each of the Recipient's States of Jigawa, Kaduna, Kano, Katsina and Sokoto, and the term "Selected States" means, collectively, all such states.

32. "State Universal Basic Education Board" or "SUBEB" means the Recipient's state universal basic education board established and operating pursuant to the laws of the respective Selected State and any successor thereto.

33. "State Ministry of Education" or "SmoEs" means each Selected State's ministry responsible for education and any successor thereto.

34. "State Project Financial Management Unit" or "SPFMU" means the Recipient's state project financial management unit - referred to in Section I.A.8 of Schedule 2 to this Agreement - established within each Selected State's Office of the State Accountant General and any successor thereto.

35. "State Project Steering Committee" or "SPSC" means the committee to be maintained by each Selected State in accordance with the provisions of Section I.A.5 of Schedule 2 to this Agreement.

36. "State Project Technical Committee" means the committee to be maintained by each Selected State in accordance with the provisions of Section I.A.6 of Schedule 2 to this Agreement.

37. "Subsidiary Agreement" means each of the agreements referred to in Section I.B of Schedule 2 to this Agreement pursuant to which the Recipient shall make part of the proceeds of the Financing available to each Selected State, as the same may be amended from time to time with the prior written consent of the World Bank, and such term includes all schedules to such Subsidiary Agreement.

38. "Subsidiary Financing" means the amount of the Financing made available to each Selected State pursuant to the Subsidiary Agreement.

39. "Training" means the reasonable cost of training financed under the Project - based on the Annual Work Plan and Budget referred to in Section I.G of Schedule 2 to this Agreement as approved by the World Bank - attributable to seminars, workshops, and study tours, along with the cost of travel and subsistence 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.

40. "Universal Basic Education Commission" or "UBEC" means the Recipient's
universal basic education commission set up under the Universal Basic Education
Act of 2004, and the term includes any successor thereto.