Policy and Human Resources Development Fund
Grant Agreement
(Fifth Additional Grant for Southern Sudan Emergency Food Crisis Response Project)

between

REPUBLIC OF SOUTH SUDAN

and

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
and INTERNATIONAL DEVELOPMENT ASSOCIATION
acting as administrator of the Policy and Human Resources Development Fund

Dated 04/14, 2016
PHRD GRANT NUMBER TF0A1813

POLICY AND HUMAN RESOURCES DEVELOPMENT FUND
GRANT AGREEMENT

AGREEMENT dated 4/14/2016, entered into between:
REPUBLIC OF SOUTH SUDAN ("Recipient"); and INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT AND INTERNATIONAL
DEVELOPMENT ASSOCIATION ("World Bank"), acting as administrator of the Policy
and Human Resources Development Fund.

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").

1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement
have the meanings ascribed to them in the Standard Conditions, in the Grant
Agreement for the Fourth Additional Financing for South Sudan Emergency Food
Crisis Response Project between the Republic of South Sudan and International
Development Association dated April 9, 2014, 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 carry
out the Project 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 two million
seven hundred thousand United States Dollars ($2,700,000) ("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 donor 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 donor 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
Recipient's Representative; Addresses

4.01. The Recipient’s Representative referred to in Section 7.02 of the Standard Conditions is its Minister of Finance.

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

Ministry of Finance and Economic Planning
Government of South Sudan
P.O. Box 80
Juba, South Sudan

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

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

Cable:              Telex:              Facsimile:
INDEVAS             248423 (MCI) or     1-202-477-6391
Washington, D.C.    64145 (MCI)
AGREED at Washington D.C., United States of America, as of the day and year first above written.

REPUBLIC OF SOUTH SUDAN

By

[Signature]

Authorized Representative

Name: Hon. David Deng Athorbei
Title: Minister of Finance and Economic Planning

INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION
acting as administrator of the Policy and Human Resources Development Fund

By

[Signature]

Authorized Representative

Name: Ms. Carolyn Turk
Title: Country Director, South Sudan
SCHEDULE 1
Project Description

The objective of the Project is to support adoption of improved technologies for food production and storage, and provide cash or food to eligible beneficiaries in the territory of the Recipient.

The Project consists of the following parts:

Part 1: Supporting Improved Nutritional Outcomes

(a) Provide support to selected farmers to diversify agricultural production to include legumes, fruits and vegetables based on an analysis of local diets, nutritional gaps, current production practices, agro-ecological conditions and local livelihood.

(b) Provide support to selected farmers and vulnerable households to: (i) improve knowledge of food and nutrition for improved nutrition outcomes through better food consumption patterns; and (ii) start kitchen gardening and animal keeping, and adopt available technologies to reduce post-harvest losses, save labor and energy, and address agriculture chemical related health issues through provision of cash.

(c) Provide support to: (i) national, state and country level institutions engaged in agriculture to enhance their contribution to improved nutrition outcomes through integration of nutrition into its respective agricultural programs and improved coordination with other relevant multi-sectors; and (ii) national institutions to explore the use of bio-fortification to enhance impact of agriculture on nutrition.

Part 2: Project Management, Monitoring and Evaluation

Strengthening the Recipient’s capacity for overall coordination, financial management, procurement, reporting, monitoring and evaluation of the activities under the Project, knowledge management, and financing of Operating Costs.
SCHEDULE 2

Project Execution

Section I. Institutional and Other Arrangements

A. Institutional arrangements

The Recipient shall carry out the Project through the Project Implementation Unit (PIU) to be maintained within the Ministry of Agriculture, Forestry, Cooperatives and Rural Development (MAFCRD), with composition, staffing, functions and resources acceptable to the World Bank.

B. Operational Manual

The Recipient shall carry out the Project in accordance with the Operational Manual which shall provide details on implementation procedures required to carry out the Project, including administrative, procurement, financial management, technical and implementation arrangements, as well as terms and conditions and selection criteria of the beneficiaries to receive cash for carrying out activities under Part 1(b)(ii) of the Project, and shall not amend, abrogate or waive the Operational Manual or any part thereof without the prior written approval of the World Bank.

C. Environmental and Social Safeguards

1. The Recipient shall ensure that the Project is implemented in accordance with the provisions of the: (i) Environmental and Social Management Framework; (ii) Pest Management Plan; (iii) Resettlement Policy Framework; (iv) any Environmental Assessment, including the Environmental and Social Management Plans, developed for the Project; and (v) any Resettlement Action Plans, developed for the Project. Except as the World Bank shall otherwise agree, the Recipient shall not assign, amend, abrogate, or waive, or permit to be assigned, amended, abrogated, or waived, the aforementioned, or any provision thereof.

2. Wherever required in accordance with the provisions of the Frameworks and Plans referred to in paragraph 1 of this Part C, the Recipient shall:

   (i) for the purposes of any activities under the Project, and prior to implementation thereof, proceed to have an Environmental Management Plan and/or Resettlement Action Plan, as the case may be: (a) prepared in form and substance satisfactory to the World Bank; and (b) except as otherwise agreed with the World Bank, submitted to the World Bank for review and approval, and thereafter adopted and locally disclosed; and
(ii) take all measures necessary on its part to regularly collect, compile, and submit to the World Bank, on a quarterly basis, reports on the status of compliance with such Frameworks and Plans, giving details of:
(a) measures taken in furtherance of such Frameworks and Plans;
(b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of such Frameworks and Plans; and (c) remedial measures taken or required to be taken to address such conditions.

2. The Recipient shall ensure that the environmental officer within the PIU shall oversee the day-to-day implementation of said Environmental Assessment, Frameworks, and Plans.

D. 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”).

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 (1) calendar quarter, and shall be furnished to the World Bank not later than forty-five (45) days after the end of the period covered by such report.

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 (6) 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 one (1) month 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:


   (b) 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 in accordance with the Recipient’s applicable legal framework consisting of the Interim Public Procurement and Disposal Regulations dated June 29, 2006, provided that such procedures comply with the provision of Section I and paragraphs 3.3 and 3.4 of the Procurement Guidelines; (c) Shopping; (d) Direct Contracting; (e) Community Participation procedures which have been found acceptable to the World Bank; and (f) Force Account.

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) Selection of Individual Consultants; and (g) 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.

**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, 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) Goods, works, non-consulting services, and consultants' services, Operating Costs and Training and Workshops under the Project</td>
<td>2,700,000</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>2,700,000</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, except that withdrawals up to an aggregate amount not to exceed $0.5 million equivalent may be made for payments made prior to this date but on or after November 1, 2015, for Eligible Expenditures.

2. The Closing Date referred to in Section 3.06(c) of the Standard Conditions is December 31, 2017.