Haiti Reconstruction Fund
Grant Agreement

(Additional Financing for the Haiti Education for All Project – Phase II)

between

REPUBLIC OF HAITI

and

INTERNATIONAL DEVELOPMENT ASSOCIATION
acting as Partner Entity of the Haiti Reconstruction Fund

Dated July 5, 2014
HAITI RECONSTRUCTION FUND
GRANT AGREEMENT

AGREEMENT dated , 2014, entered into between the REPUBLIC OF HAITI ("the Recipient") and the INTERNATIONAL DEVELOPMENT ASSOCIATION (the "World Bank"), acting as Partner Entity of the Haiti Reconstruction Fund ("the Trust Fund"), for the purpose of providing additional financing for activities related to the Original Project (as defined in the Appendix to this Agreement).

The Recipient and the 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 the Appendix to 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") and the Program. To this end, the Recipient shall carry out the Project, through MENFP, 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 fourteen
million seven hundred and fifty thousand United States Dollars ($14,750,000) ("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. The Recipient’s Representative for purposes of taking any action required or permitted to be taken pursuant to this Section is its Minister of Education and Vocational Training.

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
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 condition specified below has been satisfied.

(a) The execution and delivery of this Agreement on behalf of the Recipient have been duly authorized or ratified by all necessary governmental action.

4.02. As part of the evidence to be furnished pursuant to Section 4.01 (a), there shall be furnished to the World Bank an opinion or opinions satisfactory to the World Bank of counsel acceptable to the World Bank or, if the World Bank so requests, a certificate satisfactory to the World Bank of a competent official of the Member Country, showing the following matter:

(a) on behalf of the Recipient, that this Agreement has been duly authorized or ratified by, and executed and delivered on its behalf and is legally binding upon it in accordance with its terms.

4.03. 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.
4.04. 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, but in no case later than eighteen (18) months after the World Bank’s approval of the Grant, which expires on December 25, 2015. The World Bank shall promptly notify the Recipient of such later date.

Article V
Recipient’s Representative; Addresses

5.01. Except as provided in Section 3.02 of this Agreement, the Recipient’s Representative referred to in Section 7.02 of the Standard Conditions is its Minister of Economy and Finance.

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

Ministère de l’Economie et des Finances
Palais des Ministères
5, Ave Charles Sumner/Turgeau
Port-au-Prince
République d’Haïti

Facsimile:
(+509) 229 917 32

5.03. 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

Cable: INDEVAS
Telex: 248423 (MCI) or 464145 (MCI)
Facsimile: 1-202-477-6391
AGREED at Port-au-Prince, Republic of Haiti, as of the day and year first above written.

REPUBLIC OF HAITI
By

[Signature]
Authorized Representative

Name: HARJE CARHERE JEAN-HARIE
Title: MINISTER of Economy & FINANCE

INTERNATIONAL DEVELOPMENT ASSOCIATION
acting as Partner Entity of the Haiti Reconstruction Fund
By

[Signature]
Authorized Representative

Name: [Signature]
Title: Special Envoy
SCHEDULE 1

Project Description

The objectives of the Project are to support: (i) enrollment of students in select non-public primary schools in disadvantaged areas; (ii) student attendance in select public and non-public primary schools in disadvantaged areas; and (iii) strengthened management of the Recipient's primary education sector.

The Project constitutes the second part of the Program and consists of the following parts:

Part 1: Support to Primary Education Enrollment

1.1. Improving the Primary Education enrollment under the Tuition Waiver Program through, inter alia: (a) the strengthening of School Management Committees; and (b) the provision of Student Enrollment Grants for the carrying out of Student Enrollment Subprojects by School Management Committees.

1.2. Improving basic educational services in Selected Rural Communities through, inter alia: (a) the construction and rehabilitation of school buildings; (b) the financing of community based teacher salaries; (c) the acquisition of school supplies, materials, equipment and operating costs; and (d) the provision of training in school management to Selected Community Representatives.

Part 2: Support to Improved Students’ Attendance

2.1. Expanding the number of certified teachers and improvement of the pre-service teacher training curriculum, through the carrying out of pre-service teacher training.

2.2. Improving primary school performance through, inter alia: (a) developing a teacher’s guide including lesson plans for each day of class for selected grades; and (b) introducing an early grade reading instruction approach in schools supported by the Project to be selected in accordance with criteria acceptable to the World Bank.

2.3. Strengthening the School Health and Nutrition Program through, inter alia: (a) the provision of: (i) daily morning snacks and hot meals in schools to be selected in accordance with criteria acceptable to the World Bank; and (ii) deworming medication and micro-nutrients to participating schools twice a year; (b) the preparation of a study on fuel efficient stoves for preparing school meals; and (c) based on the said study, the introduction of fuel efficient stoves in selected schools.
Part 3: Strengthening Sector Management

Building the institutional capacity of MENFP to improve service delivery and overall educational governance through, *inter alia,*: (a) the strengthening of selected directorates of MENFP at the central and regional levels; (b) the strengthening of the school licensing system through: (i) the development of school licensing standards, methodologies and procedures; and (ii) the provision of training to: (A) school committees for developing school improvement plans; and (B) independent agencies for schools’ evaluation for licensing; and (c) the preparation of thematic studies and pilot programs to improve the budget programming and education system accountability.

Part 4: Project Management, Monitoring and Evaluation

Strengthening MENFP’s monitoring and evaluation capacity through: (a) the carrying out of impact evaluation of selected Project activities; and (b) the provision of technical assistance to oversee the implementation of Project activities.
SCHEDULE 2

Project Execution

Section I. Institutional and Other Arrangements

A. Institutional Arrangements

1. The Recipient shall:

   (a) maintain within MENFP throughout the duration of the Project, a Project management team (the PMT) appointed in accordance with the provisions of Section III of this Schedule and comprising of: (i) a technical unit, including a program coordinator; and (ii) an administrative unit with staff responsible for the Project's financial and procurement matters, all established within MENFP's existing structures;

   (b) (i) provide specific policy guidelines and address identified issues and constraints in respect of Project implementation; and (ii) no later than September 30, 2014, establish and thereafter operate and maintain throughout Project implementation, a committee (the National Strategic Committee) with a structure and functions and responsibilities acceptable to the World Bank, as set forth in detail in the Operational Manual;

   (c) ensure that the technical and administrative units of PMT operate in accordance with the policy directives established by the National Strategic Committee; and

   (d) ensure that: (i) for the first year of Project implementation not later than September 30, 2014, and from the second year on, not later than September 1 of each year of Project implementation, PMT, through MENFP, furnishes to the World Bank, for its review and approval, the Project work plan and budget for the calendar year following the date of presentation of each said plan and budget; and (ii) thereafter implement each annual Project work plan and budget in a manner acceptable to the World Bank.

2. For purposes of appraising and approving eligible Student Enrollment Subprojects, the Recipient shall establish, and thereafter operate and maintain, throughout Project implementation, a nine member steering committee consisting of representatives of MENFP, MEF, non-public education providers, parents' associations and teachers' unions, all with qualifications acceptable to the World Bank.
3. By no later than September 30, 2014, the Recipient shall through MENFP, appoint, and thereafter maintain throughout the duration of the Project implementation, independent verification agencies, with qualifications, experience, and terms of reference satisfactory to the World Bank, for purposes of the third-party verification of the Subprojects to be carried out under the Project.

4. The Recipient shall cause the verification agencies to carry out, throughout Project implementation, annual verification exercises of the Subprojects, including surveys, spot checks, verification of data provided and records kept by Beneficiary Service Providers in relation to the Subprojects, and assessments of the quality of services provided under such Subprojects, all in accordance with the provisions of the Operational Manual.

B. Implementation Documents

1. The Recipient, through MENFP, shall, carry out, and/or cause to be carried out, the Project in accordance with the Operational Manual, which consists of different schedules setting forth, respectively, rules, methods, guidelines, specific development plans, standard documents and procedures for the carrying out of the Project, including the following:

(a) the detailed description of Project implementation activities, their sequencing and the prospective timetable and benchmarks in relation thereto;

(b) the Project administrative, accounting, auditing, reporting, financial and disbursement procedures, including all pertinent standard documents and model contracts in relation thereto;

(c) (i) the selection criteria for SMCs and Beneficiary Service Providers; and (ii) the Subproject eligibility criteria;

(d) the plan for the monitoring, evaluation and supervision of the Project;

(e) the performance indicators for the Project; and

(f) standardized models to be used for the preparation of Student Enrollment Grant Agreements, Basic Education Grant Agreements and School Feeding Grant Agreements.

2. In the event that any provision of the Operational Manual shall conflict with any of the provisions under this Agreement, the terms of this Agreement shall prevail.
3. The Operational Manual shall be updated by not later than July 31, 2014 in a manner satisfactory to the World Bank. The said Operational Manual may only be amended from time to time in consultation with, and after approval of, the World Bank.

C. Subprojects

1. Upon approval of any given Subproject, and for purposes of carrying out: (a) Part 1.1(b) of the Project, the Recipient, through MENFP shall enter into an agreement (the Student Enrollment Grant Agreement) with the pertinent SMC; (b) Part 1.2 of the Project, the Recipient shall, through MENFP, enter into an agreement (the Basic Education Grant Agreement) with the pertinent SMC; and (c) Part 2.3(a) of the Project, the Recipient shall, through MENFP, enter into an agreement (the School Feeding Grant Agreement) with the pertinent Beneficiary Service Provider, all under terms and conditions satisfactory to the World Bank.

2. The Recipient shall make all Subproject Grants in accordance with eligibility criteria and procedures acceptable to the World Bank, set forth in the Operational Manual and which shall include the following:

(a) The pertinent Subproject Grant shall be made on a non-reimbursable basis, subject to the provisions of paragraph (b) hereunder.

(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 SMC or the Beneficiary Service Providers to use the proceeds of the pertinent Subproject Grant for the Subproject, or obtain a refund of all or any part of the amount of said Subproject Grant then withdrawn, upon the SMC’s or the Beneficiary Service Providers’ failure to perform any of their obligations under the pertinent Subproject Grant Agreement; and

(ii) require each SMC and each Beneficiary Service Provider to:

(A) carry out the pertinent Subproject 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 all the terms and conditions of this Agreement, including the provisions of the Anti-Corruption Guidelines applicable to recipients of grant proceeds other than the Recipient and Safeguards Documents;
(B) provide promptly as needed, the resources required for the purpose;

(C) procure the goods, works and consultants’ services to be financed out of the pertinent Subproject Grant in accordance with the provisions of this Agreement;

(D) maintain policies and procedures adequate to enable it to monitor and evaluate the pertinent Subproject in accordance with indicators acceptable to the World Bank, the progress of the pertinent Subproject and the achievement of its objectives;

(E) (1) 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 the Subproject; and (2) at the World Bank’s or the Recipient’s request, have such financial statements audited 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;

(F) enable the Recipient and the World Bank to inspect the pertinent Subproject, its operation and any relevant records and documents; and

(G) 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.

3. No transfer of Subproject Grant funds shall be made to any SMC or Beneficiary Service Provider, as the case may be, prior to the date on which the pertinent SMC or Beneficiary Service Provider has entered into the pertinent Subproject Grant Agreement.

4. The Recipient shall exercise its rights and carry out its obligations under each Subproject Grant Agreement in such manner as to protect the interests of the Recipient and the World Bank and to accomplish the purposes of the Grant.
5. Except as the World Bank shall otherwise agree, the Recipient shall not amend, terminate, assign, abrogate, waive or fail to enforce any Subproject Grant Agreement or any provision thereof.

6. In the event that any provision of any Subproject Grant Agreement shall conflict with any of the provisions under this Agreement, the terms of this Agreement shall prevail.

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”).

E. IFM Agreement

1. For the purpose of carrying out Part 2.1 of the Project, the Recipient shall, through MENFP, enter into an agreement (IFM Agreement) with the selected IFM, all under terms and conditions satisfactory to the World Bank which shall include, inter alia: (a) the obligation of the Recipient to promptly provide the funds, facilities, services and other resources required by the IFM to implement its activities under Part 2.1 of the Project and ensure compliance with all the terms and conditions of this Agreement; and (b) the obligation of the IFM to:

   (i) carry out the activities under Part 2.1 of the Project with due diligence and efficiency in a manner satisfactory to the World Bank, including in accordance with the provisions of the Anti-Corruption Guidelines applicable to recipients of grant proceeds other than the Recipient;

   (ii) use the Financing funds and the Recipient’s counterpart funds in accordance with the terms and conditions of this Agreement, and in conformity with appropriate administrative, technical, financial, procurement, auditing, participatory and legal standards and practices;

   (iii) promptly provide the facilities, services, staff, responsible for the implementation of Part 2.1 of the Project and other resources required for that purpose;

   (iv) furnish all information covering the implementation of the activities under Part 2.1 of the Project and the use of the proceeds of the Financing, as the Recipient and the World Bank shall reasonably request;
(v) carry out procurement and enter into contracts, all in a manner consistent with the provisions of this Agreement (including the provisions of Section III of this Schedule) required for the implementation of Part 2.1 of the Project activities and the maintenance of all relevant procurement documentation;

(vi) ensure compliance with financial management procedures detailed in Section II.B of this Schedule;

(vii) at the World Bank’s or the Recipient’s request, have such financial statements audited 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;

(viii) enable the Recipient and the World Bank to visit each IFM facility and examine its operations and any relevant records and documents; and

(ix) take all actions necessary to enable the Recipient to comply with its obligations under this Agreement.

2. The Recipient shall, and shall cause each IFM, to exercise its rights and carry out its obligations under each IFM Agreement in such manner as to protect the interests of the IFM, the Recipient and the World Bank and to accomplish the purposes of the Financing, including, without limitation, through the application of any legal remedies provided under the Anti-Corruption Guidelines. Except as the World Bank shall otherwise agree, the Recipient shall not amend, terminate, assign, abrogate, waive or fail to enforce any of the IFM Agreements or any provision thereof. In the event of any inconsistency between the provisions of any IFM Agreement and the provisions of this Agreement, the provisions of this Agreement shall prevail.

F. Safeguards

1. The Recipient shall ensure that the Project is carried out in accordance with the ESMF and the RPF. To this end, if an environmental management plan, RAP or similar safeguard instrument would be required on the basis of the ESMF and/or the RPF, the Recipient shall specifically take the following actions, in a manner acceptable to the World Bank:

(a) such environmental management plan, RAP or similar safeguard instrument shall be prepared in accordance with the requirements of the ESMF and/or RPF, disclosed locally and furnished to the World Bank for approval; and
the pertinent Project activity shall be carried out in accordance with such environmental management plan, RAP or similar safeguard instrument as approved by the World Bank.

2. The Recipient shall include in the Project Reports referred to in Section II.A of this Schedule, adequate information on the implementation of the ESMF and the RPF, any environmental management plan, RAP or similar safeguard instrument, giving details of:

(a) measures taken in furtherance of the ESMF, RPF or similar safeguard instrument;

(b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of the ESMF, RPF, any environmental management plan, any RAP or similar safeguard instrument; and

(c) remedial measures taken or required to be taken to address such conditions and to ensure the continued efficient and effective implementation of the ESMF and the RPF, any environmental management plan, any RAP or similar safeguard instrument.

3. The Recipient, through MENFP, shall ensure that any works to be carried out under the Project do not affect Natural Habitats, Forests or Physical Cultural Resources.

4. Without limitation to the provisions of paragraph 1 and 2 above and for purposes of carrying out any works under the Project, the Recipient shall: (a) prior to the issuance of the bidding documents for the works contract for each site, prepare and submit to the World Bank for its approval: (i) the proposed design and site for said works and, the related site-specific EMP in form and substance satisfactory to the World Bank; and (ii) the draft contract for said works to ensure that the provisions of the said site-specific EMP are adequately included in said contract; (b) prior to the signing of the contract for said works, prepare and submit to the World Bank for its approval the site-specific land acquisition and/or resettlement action plan(s) (RAP(s)) in form and substance satisfactory to the World Bank; and (c) prior to the commencement of the works, ensure that the owners and users of the land where said works are to be implemented are fully compensated in accordance with the provisions of the RAP(s).

5. The Recipient shall: (a) ensure that all activities undertaken for the purpose of carrying out of the Project comply with environmental standards and guidelines satisfactory to the World Bank; (b) ensure that the selection of any site under the Project is done in accordance with the provisions of the ESMF; (c) ensure the complete implementation of the EMPs in a manner acceptable to the World Bank, including all necessary measures to minimize and to mitigate any adverse
environmental impacts caused by the implementation of the Project; and (d) maintain PMT’s environmental unit with competent staff in adequate numbers and with such responsibilities and functions acceptable to the World Bank as shall enable PMT to manage, coordinate and monitor the implementation of the EMPs.

6. Without limitation to the provisions of Section F.1 above, the Recipient shall: (a) ensure that PMT prepares RAPs according to the RPF; (b) maintain or cause to be maintained by the PMT, and publicize, the availability of, grievance procedures to hear and determine fairly and in good faith, in accordance with the RPF, all complaints raised in relation to the implementation of the RAPs by those being subject to Involuntary Resettlement, and take all measures necessary to implement the determinations made under such grievance procedures; (c) through PMT, employ a resettlement expert, satisfactory to the World Bank, to conduct an ex post review of the implementation of the RAPs; (d) through PMT, furnish promptly to the World Bank the findings and recommendations for follow up action resulting from each such review; and (e) through PMT, implement all such recommendations for follow up action as are agreed with the World Bank.

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 semester, 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. In order to assist the Recipient in preparing the Completion Report, the Recipient shall employ consultants whose qualifications, experience and terms of reference are acceptable to the World Bank in accordance with the provisions of Section III of this Schedule.

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 semester, covering the semester, in form and substance satisfactory to the World Bank.

3. The Recipient shall have the Financial Statements for the Project audited in accordance with the provisions of Section 2.07 (b) of the Standard Conditions. Each audit of the Financial Statements shall cover the period of one fiscal year of the Recipient. The audited Financial Statements for such period shall be furnished to the World Bank not later than six 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 (b) the provisions of this Section III, as the same shall be elaborated in the 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) National Competitive Bidding; (b) Shopping; (c) Direct Contracting; and (d) 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) Procedures set forth in paragraphs 5.2 and 5.3 of the Consultant Guidelines for the 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 (“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>Goods, non-consulting services, consultants' services, Training, Operating Costs under Parts 2.3 and 4(b) of the Project</td>
<td>14,750,000</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>14,750,000</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.

2. The Closing Date referred to in Section 3.06 (c) of the Standard Conditions is September 30, 2016.
APPENDIX

Definitions

1. “Basic Education Grant” means a grant made to a selected SMC for the carrying out of an eligible Basic Education Subproject utilizing the proceeds of the Financing.

2. “Basic Education Grant Agreement” means any of the agreements entered into pursuant to Section I.C.1 (b) of Schedule 2 to this Agreement.

3. “Basic Education Subproject” means any specific activity to be carried out under Part 1.2 of the Project.

4. “Beneficiary Service Provider” means a service provider established and operating under the laws of the Recipient, which is found eligible to receive a School Feeding Grant under the Project.

5. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.


7. “ESMF” means the Recipient’s environmental and social management framework (included in the Operational Manual), disclosed in the Recipient’s territory on July 27, 2011, and at the Association’s InfoShop on August 3, 2011, setting forth details of a program of actions, measures and policies designed to maximize the benefits of the Project, eliminate, offset or mitigate any adverse environmental impacts, or reduce such impacts to acceptable levels, along with the procedural and institutional measures needed to implement such actions, the guidelines for protection of Natural Habitats and Forests, and the guidelines for finding Physical Cultural Resources, as said framework may be amended from time to time with the prior consent of the World Bank.

8. “Financing” means the Grant made by the Association to the Recipient pursuant to the Financing Agreement.

9. “Financing Agreement” means the financing agreement for the Original Project between the Recipient and the World Bank, dated January 11, 2012, as amended to date, as such financing agreement may be amended from time to time. “Financing Agreement” includes all appendices, schedules and agreements supplemental to the Financing Agreement.
10. "Forests" means areas of land not less than 1.0 hectare with tree crown cover (or equivalent stocking level) of more than ten percent (10%) that have trees with the potential to reach a minimum height of 2 meters at maturity in situ. In countries with low forest cover, the definition may be expanded to include areas covered by trees that fall below the 10 percent mark for canopy density, but are considered forest under local conditions.

11. "IFM" means Institut de Formation des Maîtres, a private teacher training institute established in the Recipient's territory with legal personality and which meets the criteria set forth in the Operational Manual to participate under Part 2.1 of the Project.

12. "IFM Agreement" means any of the agreements referred to in Section I.E.1 of Schedule 2 to this Agreement with a private IFM.

13. "Involuntary Resettlement" means the impact of: (i) an involuntary taking of land under the Project, which taking causes affected persons to have their: (a) income source or means of livelihood adversely affected (whether or not the affected persons must move to another location); or (b) right, title or interest in any house, land (including premises, agricultural and grazing land) or any other fixed or movable asset acquired or possessed, temporarily or permanently; or (c) access to productive assets adversely affected, temporarily or permanently; or (d) business, occupation, work or place of residence or habitat adversely affected, temporarily or permanently; or (ii) an involuntary restriction of access to legally designated parks and protected areas (including reserves) which causes an adverse impact on the livelihoods of the displaced persons.


16. "National Strategic Committee" means MENFP's committee to govern the implementation of the Strategy for Rebuilding the Education System, and referred to in Section A.1 (b) (ii) of Schedule 2 to this Agreement.

17. "Natural Habitats" means land and water areas where: (i) the ecosystem's biological communities are formed largely by native plant and animal species; and (ii) human activity has not essentially modified the area's primary ecological function.

18. "Operating Costs" means the reasonable and necessary incremental expenses incurred by the Recipient with respect to Project implementation, management
and monitoring, including the costs of staff salaries (excluding salaries of the Recipient’s civil service staff), communication, editing, printing and publication, translation, vehicle operation and maintenance, bank charges, local travel costs and field trip expenses, office rentals, utilities and supplies.

19. “Operational Manual” means the Recipient’s manual acceptable to the World Bank, referred to in Section I.B of Schedule 2 to this Agreement.

20. “Original Project” means the project set forth in Schedule 1 to the Financing Agreement.

21. “Physical Cultural Resources” means movable or immovable objects, sites, structures, groups of structures, and natural features and landscapes that have archaeological, paleontological, historical, architectural, religious, aesthetic, or other cultural significance as per the guidelines for finding Physical Cultural Resources set forth in the ESMF.

22. “PMT” means Project Management Team, as referred to in Section I.A.1 (a) of Schedule 2 to this Agreement.

23. “Primary Education” means the first two cycles (six years) of the Recipient’s basic education system.


25. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated October 11, 2011 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.

26. “Program” means the program designed to implement the Recipient’s policies and strategies with respect to primary education in the Recipient’s territory and set forth or referred to in the letter dated February 9, 2011 from the Recipient to the World Bank.

27. “Resettlement Action Plan” or “RAP” means a resettlement action plan, satisfactory to the World Bank, to be prepared and implemented by the Recipient for carrying out activities under the Project in accordance with the Resettlement Policy Framework (as hereinafter defined), to set out, inter alia, the principles and objectives, the affected persons’ eligibility criteria, compensation, assistance and rehabilitation entitlements, as well as the monitoring and reporting arrangements in conformity with the Resettlement Policy Framework (as hereinafter defined).
28. "Resettlement Policy Framework" or "RPF" means the Recipient’s framework, dated April 1, 2014 satisfactory to the World Bank, defining the modalities for land acquisition, Involuntary Resettlement and rehabilitation of displaced persons under the Project and describing the policies, procedures, plans and actions (including the RAP), and institutional measures related to land acquisition and other social impacts that may arise during the Project and other phases related to the Project, and satisfactory to the World Bank.


30. "School Feeding Grant" means a grant made to a Beneficiary Service Provider for the carrying out of an eligible School Feeding Subproject utilizing the proceeds of the Grant.

31. "School Feeding Grant Agreement" means any of the agreements entered into pursuant to Section I.C.1(c) of Schedule 2 to this Agreement.

32. "School Feeding Subproject" means any specific activity to be carried under Part 2.3 (a) of the Project for managing the delivery of nutritional supplements to school children in order to maximize their scholastic performance.

33. "School Health and Nutrition Program" means the Recipient’s program for providing food, nutritional supplementation and deworming services to participating schools.

34. "School Management Committee" or "SMC" means a school management committee of a non-public primary school in the Recipient’s territory which is vested with legal personality and meets the criteria to participate in the Project, as outlined in the Operational Manual.

35. "Selected Community Representative" means a community representative selected to participate in the Project, as outlined in the Operational Manual.

36. "Selected Rural Community" means a rural community in the Recipient’s territory which meets the selection criteria to participate in the Project outlined in the Operational Manual.

37. "Student Enrollment Grant" means a grant made to a selected SMC for the carrying out of an eligible Student Enrollment Subproject utilizing the proceeds of the Financing.
38. "Student Enrollment Grant Agreement" means any of the agreements entered into pursuant to Section I.C.1 (a) of Schedule 2 to this Agreement.

39. "Student Enrollment Subproject" means any specific activity to be carried under Part 1.1 of the Project for prospective students of non-public primary schools in the Recipient's territory which includes *inter alia*, recruitment of beneficiary students, purchase of teaching and learning materials, small repairs, payment of teacher salaries, and other activities necessary for the successful operation of the school.

40. "Subproject" means a Student Enrollment Subproject, a Basic Education Subproject and/or a School Feeding Subproject.

41. "Subproject Grant" means a Student Enrollment Grant, a Basic Education Grant and/or a School Feeding Grant.

42. "Subproject Grant Agreement" means a Student Enrollment Grant Agreement, a Basic Education Grant Agreement and/or a School Feeding Agreement.

43. "Strategy for Rebuilding the Education System" means the Recipient's operational plan towards rebuilding the education system, dated May 2011, in form and substance acceptable to the World Bank, as said plan may be modified or supplemented from time to time with the agreement of the World Bank.

44. "Training" means expenditures for workshops, seminars and other activities related to imparting knowledge in the context of Project activities.