March 19, 2014

His Excellency Aiuba Cuereneia
Minister
Ministry of Planning and Development
Maputo

Excellency:

REPUBLIC OF MOZAMBIQUE:
Swiss Agency for Development and Cooperation (SDC) Trust Fund for the Co-financing of Health Service Delivery Project for Mozambique Trust Fund Grant
Number TF096399
Amendment to the Grant Agreement

We refer to the Grant Agreement ("Grant Agreement") dated March 19, 2010, between the Republic of Mozambique ("Recipient") and the International Development Association ("World Bank"), acting as administrator of grant funds provided by the Swiss Agency for Development and Cooperation through the Ministry of Finance ("SDC") for the Co-financing of Health Service Development Project ("Grant" and "Trust Fund"). We also refer to your letter dated February 28, 2014, requesting the World Bank for specific amendments to the Grant Agreement.

We, therefore, propose to amend the Grant Agreement in respect of the provisions below:

1. Section 1.02 (Definitions) is amended to read as follows:

“1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the Standard Conditions, IDA Financing Agreement, Amended and Restated Financing Agreement, or in this Agreement. The additional terms have the following meanings:

(a) "Amended and Restated Financing Agreement" means the Agreement entered into between the International Development Association and the Republic of Mozambique dated March 25, 2013.

(b) "IDA Financing Agreement" means the Agreement entered into between the International Development Association and the Republic of Mozambique dated July 15, 2009.

(c) "Part A of the Project" means Part A of the Project as stated in the IDA Financing Agreement and component I as stated in the Administration Agreement entered into between the International Development Association and the Swiss Agency for Development and Cooperation dated December 18, 2009.
(d) "Part D of the Project" means Part D of the Project as stated in the IDA Financing Agreement and component 4 as stated in the Administration Agreement entered into between the International Development Association and the Swiss Agency for Development and Cooperation dated December 18, 2009.

2. Section 2.01 in Article II (Project Execution) of the Grant Agreement is amended to read as follows:

"Article II (Project Execution)

2.01. Project Objectives and Description. The purpose of the Grant is to co-finance the Improvement in Service Delivery and Capacity Building and Operating Cost components of the Health Service Delivery Project for Mozambique, for which project the World Bank has provided: (a) a credit (IDA Credit No. 4582-MOZ) to the Recipient in the amount of SDR 29,900,000, pursuant to the Financing Agreement entered into between the Recipient and the World Bank dated July 15, 2009; and (b) an additional financing through a credit (IDA 5194-MOZ) to the Recipient in the amount of SDR 24,000,000, pursuant to the Amended and Restated Financing Agreement entered into between the Recipient and the World Bank dated March 25, 2013, such Project having as its overall objective to increase access to, and utilization of, maternal and child health and nutrition services in target areas in the Recipient’s territory.

The activities proposed under the Grant consist of the following parts:

“Part A: Improvement in Service Delivery

1. Strengthen management and planning capacities of the MoH, including training institutions and health facilities, to improve the quality of health and nutrition services’ provision and enhance acute malnutrition and malaria control activities in the provinces of Cabo Delgado, Nampula and Niassa, including through:

(a) enhancement of capacity of central, provincial and district health staff, including APEs, to deliver health promotion, prevention and basic interventions for women of child bearing age, adolescent girls and children under five years of age in their communities through the carrying out of training;

(b) advisory services in the areas of planning, management and monitoring and evaluation for the implementation of the Plano Nacional de Desenvolvimento de Recursos Humanos da Saude;

(c) carrying out of outreach and community-oriented activities, including vaccinations, provision of oral rehydration salts, health education, antenatal care, and basic clinical care;

(d) implementation of the HWMP and VMP;
(e) construction and rehabilitation of health facilities and related staff housing; and

(f) provision of transportation, including vehicles, motorcycles and bicycles for the purpose of paragraph (c) above.

2. Implementation of community-based nutrition activities targeted to pregnant and lactating women, adolescent girls and children up to 24 months of age, including through:

(a) delivery of CBN Service Packages including carrying out of: (i) growth monitoring and promotion activities, including treatment of acute malnutrition; (ii) promotion of activities of exclusive breastfeeding and appropriate complementary feeding, including the use of micronutrient powder (MNP) and deworming; (iii) mobilization of pregnant women for ante-natal care services, including provision of iron folic acid (IFA) tablets, and deworming for pregnant and lactating women, and adolescent girls; (iv) provision of dispersible zinc tablets and oral rehydration salt to treat children with diarrhea; and (v) education on safe water, hygiene, sanitation and referral services for infectious disease control, including immunization;

(b) carrying out of advocacy and mass campaign activities to support the MOH’s various nutrition initiatives and programs;

(c) provision of nutrition commodities and equipment for prevention and treatment of malnutrition; and

(d) provision of transportation including vehicles, motor cycles and bicycles for purpose of carrying out the activities under paragraphs (a) and (b) above.

Part D.1: Project Management and Operating Costs

1. Support the management capacity of DNSP/DN and DPS to implement Part A.2 of the Project in the provinces of Cabo Delgado, Nampula and Niassa.

All other provisions of the Grant Agreement, except amended herein, shall remain in full force and effect.
Please indicate your agreement with the foregoing amendments to the Grant Agreement on behalf of the Recipient by countersigning and dating the two original copies of this letter and returning one countersigned original to us. Upon receipt by the World Bank of this countersigned copy, this amendment shall become effective as of the date of the countersignature.

Sincerely,

INTERNATIONAL DEVELOPMENT ASSOCIATION

[Signature]

Mark R. Lundell
Country Director
Mozambique, Madagascar, Mauritius, Comoros and Seychelles
Africa Region

AGREED:

REPUBLIC OF MOZAMBIQUE

H.E. Aiuba Cuereneia
Minister
Minister of Planning and Development

Date: 02/01/2014