Financing Agreement

(Investing in Early Years for Growth and Productivity in Malawi Project)

between

REPULIC OF MALAWI

and

INTERNATIONAL DEVELOPMENT ASSOCIATION
FINANCING AGREEMENT

AGREEMENT dated as of the Signature Date between REPUBLIC OF MALAWI ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association"). The Recipient and the Association hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

1.01. The General Conditions (as defined in the Appendix to this Agreement) apply to and form part of this Agreement.

1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in the Appendix to this Agreement.

ARTICLE II — FINANCING

2.01. The Association agrees to extend to the Recipient a grant, which is deemed as Concessional Financing for purposes of the General Conditions, in an amount equivalent to thirty five million nine hundred thousand Special Drawing Rights (SDR 35,900,000) ("Financing"), to assist in financing the project described in Schedule 1 to this Agreement ("Project").

2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section III of Schedule 2 to this Agreement.

2.03. The Maximum Commitment Charge Rate is one-half of one percent (1/2 of 1%) per annum on the Unwithdrawn Financing Balance.

2.04 The Payment Dates are February 15 and August 15 in each year.

2.05. The Payment Currency is Dollar.

ARTICLE III — PROJECT

3.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall carry out the Project in accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement.

ARTICLE IV — EFFECTIVENESS; TERMINATION

4.01. The Additional Conditions of Effectiveness consist of the following:
(a) The Grant Agreement has been executed and delivered and all conditions precedent to its effectiveness or to the right of the Recipient to make withdrawals under it (other than the effectiveness of this Agreement) have been fulfilled.

(b) The Recipient has prepared and adopted the Project Implementation Manual (PIM), in form and substance satisfactory to the Association.

(c) The Recipient has established the Project Facilitation Team (PFT) with functions and terms of reference, satisfactory to the Association, and has in accordance recruited to said PFT a project coordinator, financial management specialist or accountant, a procurement specialist, and other key staff, all in accordance with the provisions of the Procurement Regulations.

4.02. The Effectiveness Deadline is the date ninety (90) days after the Signature Date.

4.03. For purposes of Section 10.05 (b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty (20) years after the Signature Date.

ARTICLE V — REPRESENTATIVE; ADDRESSES

5.01. The Recipient’s Representative is the minister responsible for finance.

5.02. For purposes of Section 11.01 of the General Conditions:

(a) the Recipient’s address is:

Ministry of Finance, Economic Planning, and Development
P. O. Box 30049
Capital City
Lilongwe 3
Malawi; and

(b) the Recipient’s Electronic Address is:

Facsimile:
265-1-789173

5.03. For purposes of Section 11.01 of the General Conditions: (a) The Association’s address is:

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

(b) the Association’s Electronic Address is:

Telex: Facsimile:
248423 (MCI) 1-202-477-6391
AGREED as of the Signature Date.

REPUBLIC OF MALAWI

By

Authorized Representative

Name: HON. GODFRED E. GONDWE
Title: MINISTER OF FINANCE
Date: MARCH 14, 2019

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Authorized Representative

Name: CREG TOUCMIN
Title: COUNTRY MANAGER
Date: MARCH 14, 2019
SCHEDULE 1

Project Description

The objective of the Project is to improve coverage and utilization of early childhood development services with a focus on nutrition, stimulation and early learning from conception to fifty nine (59) months in selected Districts of Malawi.

Part A: Community-based Nutrition and Early Stimulation Interventions

1. Consolidating and scaling-up the delivery of a comprehensive set of high impact and cost-effective nutrition, and early stimulation interventions through Care Groups, including:

   (a) Carrying out a program of nutrition specific activities, including monthly growth monitoring and promotion sessions for 0-35 month old children with specific focus on weight-for-age to promote child growth, imparting social and behavioral change communication campaigns to improve maternal, infant and young child feeding practices.

   (b) Carrying out a program of early stimulation activities, including imparting responsive parenting education for caregivers of 0-35 months old children.

   (c) Carrying out a program of nutrition sensitive activities, including identifying and mobilizing pregnant women and their male partners to promote antenatal care within 12 weeks of pregnancy, promoting the utilization of insecticide treated bed-nets, mobilizing adolescent boys and girls aged 11-19 years to receive sexual and reproductive health education to prevent early childbearing or early pregnancy, and improve uptake of reproductive and family planning services, promoting household and personal hygiene; promoting safe drinking water protocols, and promoting production and utilization of nutritious foods.

2. Carrying out an eligible expenditure program (Eligible Expenditure Program or EEP) on the basis of specific targets focused on building the capacity, and provision of training to Care Group (CG) volunteers and extension workers, including improving capacity of CGs to promote community-based mobilization, inter alia: (a) strengthening, and/or establishing CGs for villages; (b) mobilizing target beneficiaries; (c) conducting monthly home visits; and (d) organizing monthly village nutrition fora and education.
Part B: Center-based Early Learning, Nutrition and Health Interventions

Improving the coverage and quality of preschool education and reproductive, maternal and adolescent health services, in particular:

1. Carrying out the EEP on basis of specific targets focused on enhancing the coverage and quality of early learning delivered by community-based child care centers for children aged 36-59 months, including building the capacity of the community-based child care centers caregivers, mentors and management committee members in 25 model community-based child care centers and 25 percent of the remaining community-based child care centers that are present in each selected District.

2. Carrying out a program of facility-based interventions, including improving the quality of specific reproductive, maternal, and adolescent health and nutrition interventions, including: (a) promoting an improved adolescent friendly health service package; (b) revising and disseminating protocols to manage moderate and acute malnutrition that integrates early stimulation; (c) developing a comprehensive behavioral change communication strategy; (d) provision of iron-folate tablets for pregnant and lactating mothers attending ante-natal clinic; (e) upgrading and equipping the model community-based child care centers as models in each selected District; and (f) establishing a communal garden and integrating village savings and loan in each model community-based childcare center.

Part C: Multisectoral Coordination, Capacity and System Strengthening

Carrying out a program of capacity building activities at the national and District levels designed to strengthen management, coordination and implementation of nutrition, early stimulation and early learning interventions, enhance systems and service delivery at all levels; and improve citizen engagement, in particular:

1. Carrying out the EEP program for multisectoral coordination and capacity development, including: (a) provision of training to national and district level officials and community facilitators; (b) annual joint planning and review of nutrition, early learning and early stimulation activities at district and national levels; (c) strengthening the early childhood education and nutrition management information system; and (d) provision of certificate and degree courses for national and district level officials on early childhood development and/or nutrition.

2. Strengthening the capacity for Project management, monitoring and evaluation and citizen engagement, including (a) day-to-day management, procurement, financial management, and reporting at national and District levels; (b) monitoring and evaluation; (c) recruiting the Independent Verification Agent; (d) strengthening
citizen engagement; and (e) recruiting for each district, a full time District financial management officer, and for each Traditional Authority, community facilitators.

Part D: Contingent Emergency Response Component

Providing immediate response to an Eligible Crisis or Emergency, as needed.
Section I. **Implementation Arrangements**

A. **Institutional Arrangements**

1. **Project Steering Committee**

   (a) The Recipient shall not later than thirty (30) days after the Effective Date establish the Project Steering Committee with a mandate, resources, terms of reference and functions, satisfactory to the Association, and thereafter, maintain said Project Steering Committee throughout the Project implementation.

   (b) Without limitation to the provisions of paragraph 1(a) immediately above, the Project Steering Committee shall be responsible for providing overall policy and strategic guidance for the Project.

2. **Intersectoral Project Implementation Committee**

   (a) The Recipient shall maintain throughout the Project implementation, the Intersectoral Project Implementation Committee with a mandate, resources, terms of reference and functions, satisfactory to the Association.

   (b) Without limitation to the provisions of paragraph 2(a) immediately above, the Intersectoral Project Implementation Committee shall be responsible for (i) approval of annual work plans and budgets, and Project Reports, including Financial Management Reports; (ii) reviewing progress in Project implementation; (iii) facilitating joint monitoring; and (iv) identifying challenges and agree on actions to address such challenges in Project implementation.

3. **Project Facilitation Team**

   (a) The Recipient shall throughout the Project implementation maintain the PFT within the Ministry of Gender, Children, Disability and Social Welfare (MoGCDSW), with resources, terms of reference, staffing, satisfactory to the Association.

   (b) Without limitation to paragraph 3(a) immediately above, the PFT shall be responsible for day-to-day management and administration of the Project, overall coordination of the Project, preparation of and consolidation of the annual work plans and budgets, fiduciary aspects (financial management...
and procurement), environmental aspects, coordination and communication of Project activities, and monitoring and evaluation.

4. District Project Teams and Area and Group Village Levels

(a) The Recipient shall maintain throughout Project implementation, the District Project Teams with resources, functions and terms of reference, satisfactory to the Association.

(b) Without limitation to the provisions of paragraph 4(a) immediately above, the respective District Project Teams shall be responsible for developing and implementing the pertinent District annual work plans and budgets, preparing and furnishing the PFT with quarterly technical and financial reports, including the report on activities carried out by respective Districts, community-based child care centers and CGs.

(c) The Recipient shall for the purpose of service delivery at the local community levels, maintain and facilitate the development of Care Groups, and community-based childcare centers. To this end, such CG and community-based childcare centers shall be retained by the District Project Teams to implement at the local community and village levels, the nutrition, early stimulation and early learning interventions under Parts A and B of the Project.

(d) The Recipient shall at the community and village levels maintain Area Project Teams to assist in the development of respective community annual work plans and budgets, and to provide coordination and technical support to the community and village level activities that are implemented by the respective community-based childcare centers and CGs.

5. District Councils

(a) The respective District Councils shall be responsible for approval of respective District annual work plans, in accordance with the provisions of the Project Implementation Manual.

(b) The Recipient shall ensure close coordination between the respective District Councils, District Project Teams, and the PFT in planning and monitoring the progress of respective activities at the District level.

B. Project Implementation Manual

1. The Recipient shall carry out the Project in accordance with the Project Implementation Manual containing detailed guidelines and procedures for the implementation of the Project, including monitoring and evaluation, procurement, coordination, financial, administrative and accounting procedures, corruption and
fraud mitigation measures, criteria for selection, measures for management of the environmental aspects of the Project and compliance with respective Safeguards Instruments, criteria and benchmark for District Grants, and except as the Association shall otherwise agree in writing, not amend or waive, or permit to be amended or waived any provision of thereof.

2. In case of a conflict between the provisions of the Project Implementation Manual and this Agreement, the provisions of this Agreement shall prevail.

C. Annual Work Plan and Budget

1. The Recipient shall, not later than May 31 of each year prepare and furnish to the Association, a consolidated annual program of activities proposed for implementation under the Project during the following Fiscal Year, together with a proposed budget for the purpose.

2. The Recipient shall exchange views with the Association on each such proposed consolidated annual work plan, and shall thereafter adopt, and carry out such program of activities for such following Fiscal Year as shall have been agreed with the Association, as such plan may be subsequently revised during such following Fiscal Year with the prior written agreement of the Association (Annual Work Plan and Budget).

D. Eligible Expenditure Programs and Technical Controls; Independent Verification

1. The Recipient shall for the purpose of Parts A.2, B.1 and C.1 cooperate with the Independent Verifiers, acting as third party monitoring and evaluation experts in order to assess the proper fulfillment of DLIs and DLRs as set forth in Schedule 3 to this Agreement and confirm the actual spending status of the EEPs, said assessment and confirmation to be included in the bi-annual EEP Spending Reports together with a proposal for disbursement under each Withdrawal, prepared in accordance with the Project Implementation Manual.

2. The EEPs will comply with the eligibility criteria and procedures set forth in the Project Operations Manual.

3. The Recipient shall recruit the independent verification agent in accordance with the provisions of the Procurement Regulations.

E. Environmental and Social Safeguards

1. The Recipient shall carry out the Project with due regard to appropriate health, safety, social, and environmental practices and standards, and in accordance
with ESMP, and the Medical Waste Management Plan ("Safeguards Instruments").

2. The Recipient shall take such measures as shall be necessary or appropriate to ensure compliance with the requirements of the Safeguards Instruments in a manner satisfactory to the Association.

3. Except as the Association shall otherwise agree in writing, the Recipient shall ensure, that none of the provisions of the Safeguard Instruments be abrogated, amended, repealed, suspended or waived. In case of any inconsistencies between the provisions of any of the Safeguard Instruments and the provisions of this Agreement, the provisions of this Agreement shall prevail.

F. Grievance Redress Mechanism

The Recipient shall maintain, throughout Project implementation, and publicize the availability of a grievance redress mechanism, in form and substance satisfactory to the Association, to hear and determine fairly and in good faith all complaints raised in relation to the Project and take all measures necessary to implement the determinations made by such mechanism in a manner satisfactory to the Association.

G. Contingent Emergency Response Component

In order to ensure the proper implementation of Part D of the Project ("Contingent Emergency Response") ("CERC Part"),

1. The Recipient shall:

   (a) prepare and furnish to the Association for its review and approval, an operations manual which shall set forth detailed implementation arrangements for the CERC Part, including: (i) specific activities which may be included in the CERC Part, Eligible Expenditures required therefor ("Emergency Expenditures"), and any procedures for such inclusion; (ii) financial management arrangements for the CERC Part; (iii) procurement methods and procedures for Emergency Expenditures to be financed under the CERC Part; (iv) documentation required for withdrawals of Emergency Expenditures; (v) environmental and social safeguard management frameworks for the CERC Part, consistent with the Association's policies on the matter; and (vi) any other arrangements necessary to ensure proper implementation of the CERC Part;

   (b) afford the Association a reasonable opportunity to review said proposed operations manual;
promptly adopt such operations manual for the CERC Part as shall have been approved by the Association ("CERC Operations Manual");

ensure that the CERC Part is carried out in accordance with the CERC Operations Manual; provided, however, that in the event of any inconsistency between the provisions of the CERC Operations Manual and this Agreement, the provisions of this Agreement shall prevail; and

not amend, suspend, abrogate, repeal or waive any provision of the CERC Operations Manual without prior approval by the Association.

2. The Recipient shall undertake no activities under the CERC Part unless and until the following conditions have been met in respect of said activities:

(a) the Recipient has determined that an Eligible Crisis or Emergency has occurred, has furnished to the Association a request to include said activities in the CERC Part in order to respond to said Eligible Crisis or Emergency, and the Association has agreed with such determination, accepted said request and notified the Recipient thereof; and

(b) the Recipient has prepared and disclosed all safeguards instruments required for said activities, in accordance with the CERC Operations Manual, the Association has approved all such instruments, and the Recipient has implemented any actions which are required to be taken under said instruments.

3. Procurement of Emergency Expenditures under the CERC Part

Notwithstanding any provision to the contrary in this Section, Emergency Expenditures required for the CERC Part of the Project shall be procured in accordance with the procurement methods and procedures set forth in the CERC Operations Manual.

Section II. Project Monitoring, Reporting and Evaluation

The Recipient shall furnish to the Association each Project Report not later than forty-five (45) days after the end of each calendar semester, covering the calendar semester.

Section III. Withdrawal of the Proceeds of the Financing

A. General

Without limitation upon the provisions of Article II of the General Conditions and in accordance with the Disbursement and Financial Information Letter, the Recipient may withdraw the proceeds of the Financing to finance Eligible
Expenditures; in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Financing Allocated (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Eligible Expenditure Programs under Parts A.2, B.1 and C.1 of the Project</td>
<td>7,112,000</td>
<td>100% of amounts spent in compliance with DLI and DLR amounts set out in Schedule 3 of this Agreement as reported under the EEP Spending Reports for each Withdrawal</td>
</tr>
<tr>
<td>(2) Goods, non-consulting services, consultants’ services, Training and Operating Costs under Parts A.1, B.2 and C.2 of the Project</td>
<td>28,788,000</td>
<td>100%</td>
</tr>
<tr>
<td>(3) Emergency Expenditures under Part D of the Project</td>
<td>0</td>
<td>100%</td>
</tr>
</tbody>
</table>

**TOTAL AMOUNT** 35,900,000

**B. Withdrawal Conditions; Withdrawal Period**

1. Notwithstanding the provisions of Part A above, no withdrawal shall be made:

   (a) for payments made prior to the date of this Agreement; or

   (b) for any DLI or DLR under Category (1) unless the Association has received from the Recipient or the Independent Verifiers, the EEP Spending Reports confirming that the DLI and DLR have been achieved and containing a proposal for disbursement under each Withdrawal; or
(c) under Category (3) for Emergency Expenditures under Part D of the Project, unless the Association is satisfied, and has notified the Recipient of its satisfaction, that all of the following conditions have been met in respect of said activities:

(i) the Recipient has determined that an Eligible Crisis or Emergency has occurred, has furnished to the Association a request to include said activities in the CERC Part in order to respond to said Eligible Crisis or Emergency, and the Association has agreed with such determination, accepted said request and notified the Recipient thereof;

(ii) the Recipient has prepared and disclosed all safeguards instruments required for said activities, and the Recipient has implemented any actions which are required to be taken under said instruments, all in accordance with the provisions of Section I.G of Schedule 2 to this Agreement; and

(iii) the Recipient has adopted a CERC Operations Manual in form, substance and manner acceptable to the Association and the provisions of the CERC Operations Manual.

2. With respect to the withdrawals under Category (1), payments shall be made on a bi-annual basis each year during Project implementation upon timely submission by the Recipient of a withdrawal request acceptable to the Association, such withdrawal request shall include evidence in form and substance acceptable to the Association of: (a) EEPs incurred for the period preceding the withdrawal request as presented in the EEP Spending Reports; and (b) supporting documentation confirming that the Recipient has complied with the respective DLIs and DLRs, as verified by the Independent Verifiers.

3. Notwithstanding the provisions of paragraph 1(a) and (b) and 2 of this Section, if the Association is not satisfied that a particular DLI has been fully achieved, the Association may, at its discretion: (a) authorize the withdrawal of such lesser amount of the unwithdrawn proceeds allocated to said DLI, which in the opinion of the Association corresponds to the degree of achievement of such DLI; (b) authorize the unwithdrawn amount by which such disbursement has been reduced due to partial achievement of a DLI, be carried forward to subsequent Withdrawals; and/or (c) cancel all or portion of the proceeds of the Financing allocated to such DLI.

4. If, at any time, the Association determines that any portion of the Financing under the Project was used for items improperly procured in violation of Section III to this Schedule, was not used for Eligible Expenditures or, in case of the Eligible Expenditure Programs of Parts A.2 B.1 and C.1 of the Project, was not supported
by evidence of actual spending by the Recipient under said Eligible Expenditure Programs and/or by evidence of satisfaction of other criteria set forth in this Agreement or in the Project Implementation Manual, the Recipient shall refund any such portion to the Association as the Association shall specify by notice to the Recipient. The Association may, at its own discretion, cancel such refunded amount.

5. The Closing Date is June 28, 2024.
### SCHEDULE 3

**Disbursement Linked Indicators**

<table>
<thead>
<tr>
<th>Disbursement Linked Indicator</th>
<th>Action to Be Completed</th>
<th>Amount of the Financing Allocated Per DLI (expressed in SDR)</th>
<th>Amount Allocated per DLR for the Disbursement Calculation (expressed SDR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>DLI 1. Percentage of Care Group cluster leaders and promoters delivering an integrated nutrition and early stimulation package</td>
<td>DLR 1.1. Approved training module available</td>
<td>DLI 1. 4,960,000</td>
<td>DLR 1.0 1,280,000</td>
</tr>
<tr>
<td></td>
<td>DLR 1.1. 30% of all health surveillance assistance (HSA), agriculture extension and development officers (AEDO), child protection workers (CPW), water monitoring assistants (WMA), Care Group cluster leaders (CG CL) and promoters are trained on the integrated nutrition and early stimulation training module</td>
<td></td>
<td>DLR 1.1. 1,360,000</td>
</tr>
<tr>
<td></td>
<td>DLR 1.2 80% of all HSA, AEDO, CPW, WMA, CG CL and promoters are trained on the integrated nutrition and early stimulation training module</td>
<td></td>
<td>DLR 1.2 2,320,000</td>
</tr>
<tr>
<td>DLI 2. Percentage increase on exclusive breastfeeding practices for children from 0-6 months</td>
<td>DLR 2.1. 5% increase on exclusive breastfeeding practices for children from 0-6 months</td>
<td>DLI 2. 573,400</td>
<td></td>
</tr>
<tr>
<td>---</td>
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<td></td>
</tr>
<tr>
<td>DLR 2.2 10% increase on exclusive breastfeeding practices for children from 0-6 months</td>
<td>DLR 2.2 286,700</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>DLI 3. Percentage of community-based child care centers (CBCC) caregivers delivering an integrated early learning package</th>
<th>DLR 3.0 Approved training module available</th>
<th>DLI 3.0 1,550,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>DLR 3.1 40% of all CBCC caregivers, mentors and management committee members are trained on the integrated CBCC caregiver training package</td>
<td>DLR 3.1 573,400</td>
<td></td>
</tr>
<tr>
<td>DLR 3.2 80% of all CBCC caregivers, mentors and management committee members are trained on the integrated CBCC caregiver training package</td>
<td>DLR 3.2 573,400</td>
<td></td>
</tr>
<tr>
<td>DLI 4.</td>
<td>DLR 4.1</td>
<td>DLR 4.1</td>
</tr>
<tr>
<td>-------</td>
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<td>---------</td>
</tr>
<tr>
<td>Average score achieved on the literacy and numeracy components of MDAT of children aged 48-59 months</td>
<td>Average numeracy and literacy score for children 48-59 months is at least 50%</td>
<td>172,100</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>DLI 5.</th>
<th>DLR 5.0</th>
<th>DLR 5.0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Districts disbursing at least 80% of funds in District implementation plan (DIP) for early childhood development (ECD) and nutrition</td>
<td>Approved decentralization policy empowering councils to implement and budget for nutrition and ECD activities</td>
<td>573,400</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>DLR 5.1</th>
<th>DLR 5.2</th>
<th>DLR 5.3</th>
<th>DLR 5.4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approved guidelines on integration of ECD and nutrition in DIP budget</td>
<td>100% Districts have incorporated ECD and nutrition activities in their annual DIP and funded</td>
<td>40% of operational funds budgeted for ECD and nutrition activities in DIP in previous FY released for each district</td>
<td>57,340</td>
</tr>
</tbody>
</table>
80% of operational funds budgeted for ECD and nutrition activities in DIP in previous FY released for each district

| DLI 6. Number of officers completing nutrition and ECD short and long-term courses | DLR 6.0 ECD and nutrition short and long-term courses needs assessment report is available | DLR 6.0
| DLR 6.1 Nutrition and ECD short and long-term courses, including diploma and master’s programs are developed and approved | DLR 6.1
| DLR 6.2 100 officers are enrolled for short and long-term courses, including diploma and master’s programs | DLR 6.2
| DLR 6.3 90 officers completed short and long-term courses including, diploma and master’s programs | DLR 6.3 |
APPENDIX

Definitions

1. “Anti-Corruption Guidelines” means, for purposes of paragraph 5 of the Appendix to the General Conditions, 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 and as of July 1, 2016.

2. “Annual Work Plans and Budget” means a consolidated annual plan and budget referred to in Section I.C of Schedule 2 to this Agreement, to be prepared by the Recipient in cooperation with the Districts.

3. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.

4. “Care Group” or “CG” means a group of 10-15 men and women volunteers who under the support of line ministries’ extension workers, are responsible for delivering nutrition specific and sensitive interventions to 10-15 households.

5. “CERC” or “Contingent Emergency Response Component Operations Manual” and “CERC Operations Manual” each means the operations manual referred to in Section I.G of this Agreement, to be adopted by the Recipient for the CERC Part of the Project in accordance with the provisions of said Section.”

6. “Disbursement-Linked Indicators” or “DLIs” means a set of indicators as specified in Schedule 4 to this Agreement.

7. “Disbursement-Linked Results” or “DLRs” means a set of quantitative results associated with each DLI as specified in Schedule 3 to this Agreement.

8. “District” means a district established under the Regional and District Boundaries and Place Names Act (Number 42 of 1967), of the laws of the Recipient.


10. “Eligible Crisis or Emergency” means an event that has caused, or is likely to imminently cause, a major adverse economic and/or social impact to the Recipient, associated with a natural or man-made crisis or disaster.

11. “Emergency Expenditure” means any of the Eligible Expenditures set forth in the CERC Operations Manual in accordance with the provisions of Section I.G of
Schedule 2 to this Agreement and required for the activities included in the CERC Part of the Project.

12. “EEP” or “Eligible Expenditure Programs” means a set of defined expenditures for goods, consulting and non-consulting services, Training and Operating Costs made by the Recipient under Part A of the Project.

13. “Environmental and Social Management Plans” or “ESMPs” means (i) the plan prepared and adopted by the Recipient dated March 2018 disclosed in-country on March 25, 2018, and by the Association on April 18, 2018, setting out details of the specific actions and measures including measures that endeavor to prevent and respond to gender-based violence and sexual exploitation and abuse, as well as policies designed to facilitate the achievement of the objectives of the respective ESIAAs under the Project, along with the procedural and institutional measures needed to implement such actions, measures and policies, including any schedules to such plans, and as such plan may be amended by the Recipient from time to time, with the prior written approval of the Association.

14. “Fiscal Year” or “FY” means the fiscal year of the Recipient which commences on July 1 of each year and ends on June 30 of the subsequent year.


16. “Independent Verifiers” or “Independent Verification Agent” means the purpose of Part A.3 of the Project, the independent verifiers or a firm referred to in Section I.D of Schedule 2 to this Agreement, recruited, in order to prepare the EEP Spending Reports under Part A.2, B.1 and C.1 of the Project.

17. “Intersectoral Project Implementation Committee” means the committee referred to in Section I.A.2 of Schedule 2 to this Agreement.

18. “Medical Waste Management Plan” means the Recipient’s plan dated March 2018 and disclosed by the Recipient on March 24, 2018, and by the Association on April 18, 2018, setting out the measures to be taken for the development and implementation of biomedical waste management and safe handling of such waste, as the same may be modified from time to time with the prior written agreement of the Association, and such term includes any annexes or schedules to said plan.

19. “Operating Costs” means the incremental cost arising on account of Project implementation, based on Annual Work Plans and Budgets, approved by the Association pursuant to Section I.C of Schedule 2 to this Agreement, including office supplies, vehicle operation and maintenance, maintenance of office equipment, communication, advertisement and insurance costs, office
administration costs, bank charges, costs associated with translation of documents, utilities, rental, consumables, accommodation, travel and *per diem* of Project staff on official travel, salaries of approved Project staff.

20. “Procurement Regulations” means, for purposes of paragraph 87 of the Appendix to the General Conditions, the “World Bank Procurement Regulations for IPF Borrowers”, dated July 2016, revised November 2017 and August 2018.

21. “PIM” or “Project Implementation Manual” means the Recipient’s manual referred to in Section 4.01(b) of this Agreement, and Section I.C of Schedule 2 to this Agreement, as said manual may be amended from time to time with the prior written agreement of the Association, and such term includes any annexes or schedules to such manual.

22. “PFT” or “Project Facilitation Team” means the technical team of the Recipient referred to Section 4.01(c) of this Agreement, and in Section I.A.4 of Schedule 2 to this Agreement.

23. “Project Steering Committee” means a committee of the Recipient referred to Section I.A.1 of Schedule 2 to this Agreement.

24. “Safeguard Instruments” means collectively, the ESMP and the Medical Waste Management Plan, and “Safeguard Instrument” means any of such Safeguards Instruments.

25. “Signature Date” means the later of the two dates on which the Recipient and the Association signed this Agreement and such definition applies to all references to “the date of the Financing Agreement” in the General Conditions.

26. “Training” means the costs arising under the Project on account of training, workshops, seminars, and conferences, based on the Annual Work Plans and Budgets, approved by the Association, and referred to in Section I.D of Schedule 2 to this Agreement, and such costs include associated travel, accommodation and subsistence allowances 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.

27. “Withdrawal” means each withdrawal under Category (2) of the table in Section IV of Schedule 2 to this Agreement.