RESPONSE RECOVERY RESILIENCE FOR CONFLICT AFFECTED COMMUNITIES IN ETHIOPIA SINGLE DONOR TRUST FUND GRANT NUMBER TF0C5012 EARLY LEARNING PARTNERSHIP TRUST FUND GRANT NUMBER TF0C4699

Grant Agreement

(Additional Grant for Response-Recovery-Resilience for Conflict-Affected Communities in Ethiopia Project)

between

FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION (acting as administrator of Response Recovery Resilience for Conflict Affected Communities in Ethiopia Single Donor Trust Fund; and acting as administrator of Early Learning Partnership Multi-Donor Trust Fund)

RESPONSE RECOVERY RESILIENCE FOR CONFLICT AFFECTED COMMUNITIES IN ETHIOPIA SINGLE DONOR TRUST FUND GRANT NUMBER TF0C5012 EARLY LEARNING PARTNERSHIP TRUST FUND GRANT NUMBER TF0C4699

GRANT AGREEMENT

AGREEMENT dated as of the Signature Date between FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Bank"), acting as administrator of Response Recovery Resilience for Conflict Affected Communities in Ethiopia Single Donor Trust Fund; and acting as administrator of Early Learning Partnership Multi-Donor Trust Fund.

The Recipient and the Bank hereby agree as follows:

Article I Standard Conditions; Definitions

- 1.01. The Standard 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 Standard Conditions or in the Appendix this Agreement.

Article II The Project

2.01. The Recipient declares its commitment to the objective 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 and Schedule 2 to this Agreement.

Article III The Grant

3.01. The Bank agrees to extend to the Recipient a grant from various sources in the following amounts, which in aggregate do not exceed thirty one million United States Dollars (\$31,000,000) ("Grant"), to assist in financing the Project: (a) an amount not to exceed twenty-eight million Dollars (\$28,000,000) (Portion A of the Grant); and (b) an amount not to exceed three million Dollars (\$3,000,000) (Portion B of the Grant).

- 3.02. The Recipient may withdraw the proceeds of the Grant in accordance with Section III of Schedule 2 to this Agreement.
- 3.03. The Grant is funded out of the abovementioned trust fund for which the Bank receives periodic contributions from the donors to the trust funds. In accordance with Section 3.02 of the Standard Conditions, the Bank's payment obligations in connection with this Agreement are limited to the amount of funds made available to it by the donors under the abovementioned trust funds, 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 responsible for finance.
- 4.02. For purposes of Section 7.01 of the Standard Conditions:
 - (a) the Recipient's address is:

Ministry of Finance P. O. Box 1905 Addis Ababa Federal Democratic Republic of Ethiopia; and

(b) the Recipient's Electronic Address is:

Telex:Facsimile:E-mail:21147(251-111) 551355ssewasew@mofed.gov.et

- 4.03. For purposes of Section 7.01 of the Standard Conditions:
 - (a) the Bank's address is:

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

(b) the Bank's Electronic Address is:

 Telex:
 Facsimile:
 Cable:

 248423 (MCI) or 1-202-477-6391
 INDEVAS

 64145 (MCI)
 INDEVAS

AGREED as of the Signature Date.

FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA

By

Semereta Sewasew

	Authorized Representative			
Name: _	Semereta Sewasew			
Title: _	State Minister of Finance			
Date: _	31-Jul-2024			

INTERNATIONAL DEVELOPMENT ASSOCIATION

(acting as administrator of Response Recovery Resilience for Affected Communities in Ethiopia Single Donor Trust Fund; and acting as administrator of Early Learning Partnership Multi-Donor Trust Fund)

By

Maryam Salim						
Authorized Representative						
Name:	Maryam Salim					
Title:	Country Director					
Date:	31-Jul-2024					

SCHEDULE 1

Project Description

The objective of the Project is to: (i) rebuild and improve access to basic services and climate-resilient community infrastructure; and (ii) improve access to multi-sectoral response services for Gender-Based Violence (GBV) survivors; in selected conflictaffected communities in Ethiopia.

The Project consists of the Parts described in Schedule 1 of the Original Project and the following scaled-up activities under Part 2.1 of the Original Project (as set out below).

The scaled-up activities are financed by the Additional Grant.

Part 2: Improving Access to GBV Response Services

Scaling up implementation of the following program of activities designed to expand and strengthen GBV response services for conflict-affected communities, namely:

2.1. Scaling up delivery of integrated multi-sectoral services for GBV survivors within targeted Woredas, through: (a) expanding provision of mental health and psychosocial support ("MHPSS"), including deployment of mental health and psychosocial service providers to GBV survivors and conflict-affected communities and support for the adaptation and application of evidence-based, trauma-focused therapeutic models and their integration into wider MHPSS capacity building activities, all through the provision of training and delivery of narrative exposure therapy ("NET") models as well as adaptations thereto, namely, NETFacts, a scalable community-based variation that builds on individual NET treatments with community-based interventions, NET for children, and also NET for forensic offender rehabilitation, which adapts the NET model for traumatized offenders, with a view to addressing mental health and psychosocial well-being; (b) scaling up the establishment of safe spaces, rehabilitation of existing safe spaces or shelters and/or support for operational costs of existing women and girl friendly safe spaces and safe houses in each region or underserved communities; (c) scaling up support for complementary socio-economic empowerment activities targeting GBV survivors and vulnerable women such as: (i) provision of personal initiative training; (ii) supporting village savings and loan associations ("VSLAs") and VSLA group enterprises and collectives through provision of technical assistance as well as materials and kits; and (iii) provision of start-up assistance for women engaged in income-generating activities including inputs for business activities; and (d) supporting establishment of full-day childcare services (including provision of operational costs and training for the purpose).

SCHEDULE 2

Project Execution

Section I. <u>Institutional and Other Arrangements</u>

A. Institutional and Implementation Arrangements

- 1. The institutional and other implementation arrangements described in Sections I.A and I.B of Schedule 2 to the Original Financing Agreement are hereby incorporated by reference in this Section I, unless the context otherwise requires, and shall apply, *mutatis mutandis*, to this Agreement, and the Recipient hereby undertakes to comply with the provisions thereof to the same extent as if such provisions had been set out in full in this Section, subject, however, to the following qualifications: references to "Financing", shall be construed as references to the "Grants", provided for under this Agreement.
- 2. For greater clarity and the avoidance of doubt, in view of the incorporation of Sections I.A and I.B of Schedule 2 to the Original Financing Agreement into this Agreement pursuant to the preceding paragraph, if the Original Financing Agreement terminates prior to the termination of this Agreement, such termination shall have no effect for purposes of this Agreement, and the provisions of the Original Financing Agreement incorporated in this Agreement pursuant to the preceding paragraph shall continue in full force and effect between the Recipient and the Bank for purposes of this Agreement following and notwithstanding such termination of the Original Financing Agreement.

B. Environmental and Social Standards

- 1. The Recipient shall ensure that the Project is carried out in accordance with the Environmental and Social Standards, in a manner acceptable to the Bank.
- 2. Without limitation upon paragraph 1 above, the Recipient shall ensure that the Project is implemented in accordance with the Environmental and Social Commitment Plan ("ESCP"), in a manner acceptable to the Bank. To this end, the Recipient shall ensure that:
 - (a) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, as provided in the ESCP;
 - (b) sufficient funds are available to cover the costs of implementing the ESCP;
 - (c) policies and procedures are maintained, and qualified and experienced staff in adequate numbers are retained to implement the ESCP, as provided in the ESCP; and

- (d) the ESCP, or any provision thereof, is not amended, repealed, suspended or waived, except as the Bank shall otherwise agree in writing, as specified in the ESCP, and ensure that the revised ESCP is disclosed promptly thereafter.
- 3. In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.
- 4. The Recipient shall ensure that:
 - (a) all measures necessary are taken to collect, compile, and furnish to the Bank through regular reports, with the frequency specified in the ESCP, and promptly in a separate report or reports, if so requested by the Bank, information on the status of compliance with the ESCP and the environmental and social instruments referred to therein, all such reports in form and substance acceptable to the Bank, setting out, *inter alia*: (i) the status of implementation of the ESCP; (ii) conditions, if any, which interfere or threaten to interfere with the implementation of the ESCP; and (iii) corrective and preventive measures taken or required to be taken to address such conditions; and
 - (b) the Bank is promptly notified of any incident or accident related to or having an impact on the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, in accordance with the ESCP, the environmental and social instruments referenced therein and the Environmental and Social Standards.
- 5. The Recipient shall establish, publicize, maintain and operate an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances of Project-affected people, and take all measures necessary and appropriate to resolve, or facilitate the resolution of, such concerns and grievances, in a manner acceptable to the Bank.
- 6. The Recipient shall ensure that all bidding documents and contracts for civil works under the Project include the obligation of contractors, and subcontractors and supervising entities to: (a) comply with the relevant aspects of ESCP and the environmental and social instruments referred to therein; and (b) adopt and enforce codes of conduct that should be provided to and signed by all workers, detailing measures to address environmental, social, health and safety risks, and the risks of sexual exploitation and abuse, sexual harassment and violence against children, all as applicable to such civil works commissioned or carried out pursuant to said contracts.

Section II. <u>Project Monitoring, Reporting and Evaluation</u>

A. **Project Reports**

- 1. The Recipient shall ensure that each Project Report is furnished to the Bank not later than sixty (60) days after the end of each calendar semester, covering the calendar semester.
- 2. Except as may otherwise be explicitly required or permitted under this Agreement or as may be explicitly requested by the Association, in sharing any information, report or document related to the activities described in Schedule 1 of this Agreement, the Recipient shall ensure that such information, report or document does not include Personal Data.

Section III. <u>Withdrawal of Grant Proceeds</u>

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; and (b) this Section; to finance Eligible Expenditures in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table.

Category	Amount of Portion A of the Grant Allocated (expressed in USD) (TF NumberTF0C5012)	Amount of Portion B of the Grant Allocated (expressed in USD) (TF Number TF0C4699)	Percentage of Expenditures to be Financed (inclusive of Taxes)
 (1) Goods, works, non- consulting services, consulting services, Training and Operating Costs for Parts 2.1(a), (b) and (d) of the Project 	16,000,000	3,000,000	100%
(2) Goods, non-consulting services, consulting services, Training and Operating Costs for Part 2.1(c) of the Project	12,000,000		100%
TOTAL AMOUNT	28,000,000	3,000,000	

B. Withdrawal Conditions; Withdrawal Period

- 1. Notwithstanding the provisions of Part A of this Section no withdrawal shall be made
 - (a) for payments made prior to the Signature Date; or
 - (b) under Category 2, unless and until the Recipient has updated the Project Operations Manual to include arrangements for the implementation of activities under Part 2.1(c) of the Project and thereafter adopted the updated Project Operations Manual, in form and substance acceptable to the Association ("Updated Project Operations Manual").
- 2. The Closing Date is March 31, 2027.

APPENDIX

Definitions

The Capitalized terms defined in Section I of the Appendix to the Original Financing Agreement, as incorporated by reference in this Agreement, shall have the meanings set forth therein, and the following terms shall have the following meanings:

- 1. "Anti-Corruption Guidelines" means, for purposes of paragraph 2 of the Appendix to the Standard 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. "Category" means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
- 3. "Environmental and Social Commitment Plan" or "ESCP" means the environmental and social commitment plan for the Project, dated April 17, 2024, as the same may be amended from time to time in accordance with the provisions thereof, which sets out the material measures and actions that the Recipient shall carry out or cause to be carried out to address the potential environmental and social risks and impacts of the Project, including the timeframes of the actions and measures, institutional, staffing, training, monitoring and reporting arrangements, and any environmental and social instruments to be prepared thereunder.
- "Environmental and Social Standards" or "ESSs" means, collectively: (i) 4. "Environmental and Social Standard 1: Assessment and Management of Environmental and Social Risks and Impacts"; (ii) "Environmental and Social Standard 2: Labor and Working Conditions"; (iii) "Environmental and Social Standard 3: Resource Efficiency and Pollution Prevention and Management"; (iv) "Environmental and Social Standard 4: Community Health and Safety"; (v) "Environmental and Social Standard 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement"; (vi) "Environmental and Social Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources"; (vii) "Environmental and Social Standard 7: Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities"; (viii) "Environmental and Social Standard 8: Cultural Heritage"; (ix) "Environmental and Social Standard 9: Financial Intermediaries"; and (x) "Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure"; effective on October 1, 2018, as published by the Bank.
- 5. "Original Financing Agreement" means the financing agreement for the Original Project between the Recipient and the Association dated May 16, 2022, Grant Number E0100-ET, as amended from time to time.

- 6. "Original Project" means the project described under Schedule 1 of the Original Financing Agreement.
- 7. "Procurement Regulations" means, for purposes of paragraph 20 of the Appendix to the Standard Conditions, the "World Bank Procurement Regulations for IPF Borrowers", dated September 2023.
- 8. "Signature Date" means the later of the two dates on which the Recipient and the Bank signed this Agreement and such definition applies to all references to "the date of the Grant Agreement" in the Standard Conditions.
- 9. "Standard Conditions" means the "International Bank for Reconstruction and Development and International Development Association Standard Conditions for Grant Financing Made by the Bank out of Trust Funds", dated February 25, 2019.
- 10. "Updated Project Operations Manual" means the updated manual referred to in Section III.B.1(b) of Schedule 2 to this Agreement.