SMPF GRANT NUMBER TF0B2691

Sudan Multi-Partner Fund

Grant Agreement

(Additional Financing for the Social Safety Net Project)

between

REPUBLIC OF THE SUDAN

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

(acting as administrator of the Sudan Multi-Partner Fund)

SMPF GRANT NUMBER TF0B2691

SUDAN MULTI-PARTNER FUND GRANT AGREEMENT

AGREEMENT dated as of the Signature Date between the REPUBLIC OF THE SUDAN ("Recipient") and the INTERNATIONAL DEVELOPMENT ASSOCIATION ("Bank"), acting as administrator of the Sudan Multi-Partner Fund, for providing additional financing for activities related to the Original Project (as defined in the Appendix to this Agreement).

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 of this Agreement or in the Appendix of the Original Grant Agreement.

Article II The Project

2.01. The Recipient declares its commitment to the objectives of the project described in Schedule 1 to this Agreement ("Project"). To this end, the Recipient shall carry out the Project in accordance with the provisions of Article II of the Standard Conditions and Schedule 2 to this Agreement.

Article III The Grant

- 3.01. The Bank agrees to extend to the Recipient a grant in an amount not to exceed one million four hundred ninety-nine thousand nine hundred ninety-nine United States Dollars (\$1,499,999.00) ("Grant") to assist in financing the Project.
- 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 fund. 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 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 Bank has been furnished to the Bank that the execution and delivery of this Agreement on behalf of the Recipient have been duly authorized or ratified by all necessary governmental and corporate action.
- 4.02. Except as the Recipient and the Bank shall otherwise agree, this Agreement shall enter into effect on the date upon which the 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 Bank to suspend the right of the Recipient to make withdrawals from the Grant Account if this Agreement had been effective, the Bank may postpone the dispatch of the notice referred to in this Section until such event (or events) has (or have) ceased to exist.
- 4.03. 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 Bank, after consideration of the reasons for the delay, establishes a later date for purposes of this Section. The Bank shall promptly notify the Recipient of such later date.

Article V Recipient's Representative; Addresses

- 5.01. The Recipient's Representative referred to in Section 7.02 of the Standard Conditions is its Ministry of Finance
- 5.02. For purposes of Section 7.01 of the Standard Conditions:
 - (a) the Recipient's address is:

Ministry of Finance and Economic Planning Khartoum Republic of the Sudan P.O Box 298 – Khartoum; and

(b) the Recipient's Electronic Address is:

Telex:

Facsimile:

+249-183-777563 +249-183-776081

(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:

248423 (MCI) or 64145 (MCI)

1-202-477-6391

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AGREED as of the Signature Date.

THE REPUBLIC OF THE SUDAN

By: Republic Of Sudan Authorized Representative Ministry Of Finance And E. Dr. Ibrahim Ahmed El Badawi Economic Planutere: Date : Title: minister of Finance & Economic plai • Date: 1.6.2020

INTERNATIONAL DEVELOPMENT ASSOCIATION acting as administrator of the Sudan Multi-Partner Fund

By:

Name: _____

Title: Country director

Date: _____13-May-2020

Authorized Representative

SCHEDULE 1

Project Description

The objective of the Project is to strengthen the capacity of the Recipient to transparently and effectively implement the CT Program, and to pilot a PSN approach for poor households.

The Project consists of the same Parts of the Original Project and the following additional activities: (a) expanding the number of recertified CT beneficiaries and adding the behavioral change aspect to the PSN activities; (b) designing options for an universal basic income; (c) evaluating the robustness of the current cash-transfer system; (d) supporting the development of a digital payment systems; (e) developing a legal and regulatory framework to ensure the operability of the cash transfer system; (g) developing and scaling-up a formalized grievance redress mechanism and a beneficiary monitoring system; (h) strengthening the institutional capacity; and (i) supporting the identification and registration of beneficiaries.

SCHEDULE 2

Project Execution

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

A. Institutional Arrangements

- 1. The institutional and other arrangements described in Sections I and III of Schedule 2 to the Original Grant Agreement are hereby incorporated by reference in this Section, unless the context otherwise requires, and shall apply, *mutatis mutandis*, to the Grant, 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 Agreement.
- 2. For greater clarity and the avoidance of doubt, in view of the incorporation of Sections I and III of Schedule 2 to the Original Grant Agreement in this Agreement pursuant to the preceding paragraph:
 - (a) it is understood that the Recipient shall keep implementing Part 2 (Piloting a Public Safety Net (PSN) Approach) in accordance with the arrangements and procedures set out in the Memorandum of Understanding between the MoLSD (former MoWSS) and the MoFEP referred to in Section I.B.2 of Schedule 2 to the Original Grant Agreement; and
 - (b) if the Original Grant 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 Grant 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 Grant Agreement.

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

A. Documents; Records

In addition, and without limitation to the obligations set forth in Section 2.05 of the Standard Conditions, the Recipient shall ensure that:

(a) all records evidencing expenditures under the Project are retained for seven years and six months after the Closing Date, such records to include:
(i) this Agreement, all addenda thereof, and any amendments thereto;
(ii) the Recipient's financial and narrative progress reports submitted to the Bank; (iii) the Recipient's financial information related to the Grant, including audit reports, invoices and payroll records; (iv) the Recipient's

implementation documentation (including sub-agreements, procurement files, contracts, purchase orders); and (v) the corresponding supporting evidence referred to in Section 3.04 of the Standard Conditions; and

(b) the representatives of the Bank are: (i) able to examine all records referred to above in paragraph (a); (ii) provided all such information concerning such records as they may from time to time reasonably request; and (iii) able to disclose such records and information to donors.

B. Project Reports

The Recipient shall ensure that each Project Report is furnished to the Bank not later than one month after the end of each calendar semester, covering the calendar semester.

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 the Grant Allocated (expressed in USD)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, non-consulting services, and consulting services, Training and Incremental Operating Costs under the Project	1,499,999	100%
TOTAL AMOUNT	1,499,999	

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 Signature Date.
- 2. The Closing Date is December 31, 2021.

APPENDIX

Section I. <u>Definitions</u>

- 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.
- 2. "Category" means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
- 3. "MoLSD" means the means Recipient's Ministry of Labor and Social Development, or any successor thereto.
- 4. "Original Grant Agreement" means the Grant Agreement for the Original Project between the Recipient and the International Development Association, dated February 10, 2016 (Grant Number TF0A0362).
- 5. "Original Project" means the project described in Schedule 1 to the Original Grant Agreement.
- 6. "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.
- 7. "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.

Section II. Modifications to the Standard Conditions

The Standard Conditions are modified as follows:

- 1. Section 2.11, *Procurement* is deleted in its entirety and the remaining Section 2.12, *Anti-Corruption* in Article II is renumbered accordingly.
- 2. Paragraphs 19 (Procurement Plan) and 20 (Procurement Regulations) in the Appendix are deleted in their entirety and the subsequent paragraphs are renumbered accordingly.

Section III. <u>Amendments to the Original Grant Agreement</u>

1. The objective of the Original Project referred to in Schedule 1 is amended to read as follows:

"The objective of the Project is to strengthen the capacity of the Recipient to transparently and effectively implement the CT Program, and to pilot a PSN approach for poor households."

2. The closing date referred to in Section IV.B.2 of Schedule 2 is amended to read as follows:

"The Closing Date referred to in Section 3.06(c) of the Standard Conditions is December 31, 2021.