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CREDIT NUMBERS 3751-0-UNI; 3751-1—UNI; 4523-NG & 4858-NG

# Financing Agreement

(Amending and Restating Original Financing Agreements)

(Partnership for Polio Eradication Project)

between

FEDERAL REPUBLIC OF NIGERIA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION  
(acting in its own capacity and as Administrator of the Global Program to Eradicate  
Poliomyelitis Trust Funds)

Dated May 13, 2011

Public Disclosure Authorized



**CREDIT NUMBERS 3751-0-UNI; 3751-1—UNI; 4523-NG & 4858-NG**

**FINANCING AGREEMENT**

AGREEMENT dated May 13, 2011, entered into between FEDERAL REPUBLIC OF NIGERIA (“Recipient”) and INTERNATIONAL DEVELOPMENT ASSOCIATION acting in its own capacity and as administrator of the Global Program to Eradicate Poliomyelitis Trust Funds (“Association”).

WHEREAS (A) under an agreement, dated June 24, 2003, between the Recipient and the Association (“Development Credit Agreement”), the Association agreed to provide the Recipient with a credit (“Original Credit”) in an amount equivalent to twenty million nine hundred thousand Special Drawing Rights (SDR 20,900,000) to assist in financing the project described in Schedule 2 to the Development Credit Agreement (“Original Project”);

(B) under an agreement amending the Development Credit Agreement, dated May 10, 2005, between the Recipient and the Association (“Agreement Amending Development Credit Agreement”), the Association agreed to provide the Recipient with an additional credit (“First Additional Credit”) in an amount equivalent to thirty three million four hundred thousand Special Drawing Rights (SDR 33,400,000) to assist in financing additional activities related to the Original Project;

(C) under an agreement, dated April 2, 2009, between the Recipient and the Association (“Second Additional Credit Financing Agreement”), the Association agreed to provide the Recipient with a second additional credit (“Second Additional Credit”) in an amount equivalent to thirty one million eight hundred thousand Special Drawing Rights (SDR 31,800,000) to assist in financing additional activities related to the Original Project;

(D) the Recipient has requested the Association to provide additional financial assistance in support of additional activities related to the Original Project, by making available to the Recipient a third additional credit (“Third Additional Credit”) in an amount in various currencies equivalent to thirty nine million Special Drawing Rights (SDR 39,000,000); and

WHEREAS the Association has agreed, on the basis, *inter alia*, of the foregoing to extend such additional assistance to the Recipient upon the terms and conditions set forth in this Agreement;

NOW THEREFORE the Recipient and the Association hereby agree to amend and restate the agreements referred to in Recitals (A), (B) and (C) (collectively, “Original Financing Agreements”), with effect as of the Effective Date of this Agreement, to read as follows:

**ARTICLE I — GENERAL CONDITIONS; DEFINITIONS**

- 1.01. The General Conditions (as defined in the Appendix to this Agreement) constitute an integral 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 Preamble and Appendix to this Agreement.

**ARTICLE II — FINANCING**

- 2.01. The Association agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a credit in an amount equivalent to one hundred twenty five million one hundred thousand Special Drawing Rights (SDR 125,100,000) (variously, “Credit” and “Financing”), which consists of: (a) the Original Credit in various currencies equivalent to twenty million nine hundred thousand Special Drawing Rights (SDR 20,900,000); (b) the First Additional Credit in various currencies equivalent to thirty three million four hundred thousand Special Drawing Rights (SDR 33,400,000); (c) the Second Additional Credit in various currencies equivalent to thirty one million eight hundred thousand Special Drawing Rights (SDR 31,800,000); and (d) the Third Additional Credit in various currencies equivalent to thirty nine million Special Drawing Rights (SDR 39,000,000), 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 IV of Schedule 2 to this Agreement.
- 2.03. The Maximum Commitment Charge Rate payable by the Recipient on the Unwithdrawn Financing Balance shall be one-half of one percent (1/2 of 1%) per annum.
- 2.04. The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.
- 2.05. The Payment Dates are April 1 and October 1 in each year.
- 2.06. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.
- 2.07. The Payment Currency is Dollar.
- 2.08. The Association shall:

- (a) as administrator of the GPEP Trust Funds and on behalf of the Recipient, pay the Commitment Charge and the Service Charge, as they fall due under this Agreement, until the earlier of: (i) the date of the Assignment and Release Agreement; or (ii) the Buy-Down Completion Date; and
  - (b) following the Assignment Trigger: (i) acting in its own capacity, assign its rights, title and interest in the debt payable by the Recipient under this Agreement to the Association as administrator of the GPEP Trust Funds in return for receipt of the Repayment Amount; and (ii) as administrator of the GPEP Trust Funds, release and discharge the Recipient from its payment obligations arising in relation to the debt due under this Agreement, and cancel such indebtedness, by concluding an Assignment and Release Agreement with the Recipient and the Association in its own capacity.
- 2.09. Notwithstanding the provisions of Section 2.08 of this Agreement, in the event that there are insufficient funds in the GPEP Trust Funds to pay: (a) the Commitment Charge and the Service Charge as they fall due under this Agreement; or (b) the Repayment Amount due under this Agreement, the payments of the Commitment Charge and Service Charge or the Repayment Amount pursuant to Section 2.08 of this Agreement shall be limited to the amount of funds available in the GPEP Trust Funds for such purpose, and the assignment and release of the Recipient's debt under the Assignment and Release Agreement shall be limited to such amount.

### **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 through its National Primary Health Care Development Agency in accordance with the provisions of Article IV of the General Conditions.
- 3.02. Without limitation upon the provisions of Section 3.01 of this Agreement, and except as the Recipient and the Association 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 IV — EFFECTIVENESS; TERMINATION**

- 4.01. The Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.

- 4.02. For purposes of Section 8.05 (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 years after the date of this Agreement.

**ARTICLE V — REPRESENTATIVE; ADDRESSES**

- 5.01. The Recipient's Representative is its minister at the time responsible for finance.

- 5.02. The Recipient's Address is:

The Honorable Minister  
Federal Ministry of Finance  
Ahmadu Bello Way  
Abuja, Nigeria

Facsimile: 234 9 6273609

- 5.03. The Association's Address is:

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

Cable:

Telex:

Facsimile:

INDEVAS  
Washington, D.C.

248423 (MCI)

1-202-477-6391

AGREED at Abuja, Federal Republic of Nigeria, as of the day and year first above written.

**FEDERAL REPUBLIC OF NIGERIA**

**By: /s/ Olusegun O. Aganga**

**Authorized Representative**

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

**By: /s/ Onno Ruhl**

**Authorized Representative**

## **SCHEDULE 1**

### **Project Description**

The objective of the Project is to assist the Recipient to achieve its goal of interrupting the transmission of the wild polio virus, and to sustain these efforts throughout the implementation of the Project through effective oral polio vaccine coverage of the target population.

#### Part A:

Provision of oral polio vaccines to national strategic cold stores in Abuja.

#### Part B:

Immunization of children under five years of age using oral polio vaccine under supplemental immunization activities organized by the National Primary Health Care Development Agency.

#### Part C:

Development of disease surveillance systems to detect cases or outbreaks of polio, and monitoring and evaluation of supplemental immunization activities.



**SCHEDULE 2****Project Execution****Section I. Implementation Arrangements****A. Institutional Arrangements.** The Recipient shall maintain:

1. an inter-agency coordinating committee: (a) consisting *inter alia* of representatives of the National Primary Health Care Development Agency, the FMOH, the Department for International Development of the United Kingdom, the United States Agency for International Development, the Canadian International Development Agency, the European Commission, the Bill and Melinda Gates Foundation, Rotary International, the United Nations Foundation, the Japanese Government, the Christian Association of Nigeria, the International Red Cross, Coca-Cola, the World Health Organization, UNICEF and the Association; and (b) responsible for coordinating the implementation of the Project activities and other related polio eradication activities; and
2. an expert review committee: (a) consisting of recognized national and international experts; and (b) responsible for providing advice to the FMOH and the National Primary Health Care Development Agency on strategic direction for implementation of the Project.

**B. Anti-Corruption**

The Recipient shall ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.

**Section II. Project Monitoring, Reporting and Evaluation****A. Project Reports**

1. The Recipient shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 4.08 of the General Conditions and on the basis of the indicator set forth in paragraph 2 below. Each Project Report shall cover the period of one calendar quarter, and shall be furnished to the Association not later than 45 days after the end of the period covered by such report.
2. The performance indicator referred to in paragraph 1 above is that coverage of the target population for oral polio vaccines is at least 80% in each endemic state.
3. For purposes of Section 4.08 (c) of the General Conditions, the report on the execution of the Project and related plan required pursuant to that Section shall be furnished to the Association not later than six months after the Closing Date

for the Second Additional Credit and the Third Additional Credit specified in Section IVB.2(b) of this Schedule.

**B. Financial Management, Financial Reports and Audits**

1. The Recipient shall maintain or cause to be maintained a financial management system in accordance with the provisions of Section 4.09 of the General Conditions.
2. With respect to Part A of the Project, the Recipient shall, in accordance with the terms of the UNICEF Procurement Agreement:
  - (a) require UNICEF to maintain a separate ledger account in which all receipts and expenditures financed under Part A of the Project will be recorded;
  - (b) require UNICEF to prepare and furnish to the Recipient as soon as available, but in any case not later than 60 days after the end of each quarter, "utilization" reports prepared in accordance with the provisions of the UNICEF Procurement Agreement; and
  - (c) as soon as possible after their receipt from UNICEF, furnish copies of the said reports to the Association.
3. Without limitation on the provisions of paragraph 2 of this Part B, the Recipient shall prepare and furnish to the Association, as part of the Project Report, not later than 45 days after the end of each calendar quarter, interim unaudited financial report for the Project covering the quarter, in form and substance satisfactory to the Association.
4. The Recipient shall, upon the Association's request, have the Financial Statements for the Project audited in accordance with the provisions of Section 4.09 (b) of the General Conditions. Such audit of the Financial Statements shall cover the period indicated in the Association's request. The audited Financial Statements for such period shall be furnished to the Association not later than the date indicated in the Association's request.

**Section III. Procurement**

**A. General**

1. **Goods.** All goods required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Section I of the Procurement Guidelines, and with the provisions of this Section.

2. **Definitions.** The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the Association of particular contracts, refer to the corresponding method described in the Procurement Guidelines.
- B. Particular Methods of Procurement of Goods.** Goods shall be procured from UNICEF in accordance with the provisions of paragraph 3.9 of the Procurement Guidelines and the UNICEF Procurement Agreement.
- C. Review by the Association of Procurement Decisions**

Except as the Association shall otherwise determine by notice to the Recipient, the UNICEF Procurement Agreement shall be subject to the Association's Prior Review.

#### **Section IV. Withdrawal of the Proceeds of the Financing**

##### **A. General**

The Recipient may withdraw the proceeds of the Financing in accordance with the provisions of Article II of the General Conditions, this Section, and such additional instructions as the Association shall 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 Association and as made applicable to this Agreement pursuant to such instructions), to finance 100% of Eligible Expenditures, consisting of goods (inclusive of Taxes).

##### **B. Withdrawal Conditions; Withdrawal Period**

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made:
  - (a) with respect to amounts of the Original Credit, for payments made prior to the date of the Development Credit Agreement, except that withdrawals of amounts of the Original Credit, in an aggregate amount not to exceed the equivalent of SDR 2,090,000, may be made for payments prior to this date but on or after September 1, 2003, for Eligible Expenditures;
  - (b) with respect to amounts of the First Additional Credit, for payments made prior to the date of the Agreement Amending the Development Credit Agreement;
  - (c) with respect to amounts of the Second Additional Credit, for payments made prior to the date of the Second Additional Credit Financing Agreement; and

- (d) with respect to amounts of the Third Additional Credit, for payments made prior to the date of this Agreement, except that withdrawals of amounts of the Third Additional Credit, in an aggregate amount not to exceed the equivalent of SDR 7,880,000, may be made for payments made prior to this date but on or after December 15, 2010, for Eligible Expenditures.
- 2. The Closing Date is: (a) April 30, 2009 in respect of the Original Credit and the First Additional Credit; and (b) April 30, 2012 in respect of the Second Additional Credit and the Third Additional Credit.

**SCHEDULE 3****Repayment Schedule****I. Repayment of the Original Credit**

<b>Date Payment Due</b>	<b>Principal Amount of the Original Credit repayable (expressed as a percentage)*</b>
On each April 1 and October 1:	
commencing October 1, 2013, to and including April 1, 2023.	<b>1.25%</b>
commencing October 1, 2023, to and including April 1, 2038.	<b>2.5%</b>

**II. Repayment of the First Additional Credit**

<b>Date Payment Due</b>	<b>Principal Amount of the First Additional Credit repayable (expressed as a percentage)*</b>
On each April 1 and October 1:	
commencing April 1, 2015, to and including October 1, 2024.	<b>1.25%</b>
commencing April 1, 2025, to and including October 1, 2039.	<b>2.5%</b>

**III. Repayment of the Second Additional Credit**

<b>Date Payment Due</b>	<b>Principal Amount of the Second Additional Credit repayable (expressed as a percentage)*</b>
On each April 1 and October 1:	
commencing October 1, 2018, to and including April 1, 2028.	<b>1%</b>
commencing October 1, 2028, to and	<b>2%</b>

including April 1, 2048.	
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**IV. Repayment of the Third Additional Credit**

<b>Date Payment Due</b>	<b>Principal Amount of the Second Additional Credit repayable (expressed as a percentage)*</b>
On each April 1 and October 1:	
commencing April 1, 2021, to and including October 1, 2030.	<b>1%</b>
commencing April 1, 2031, to and including October 1, 2050.	<b>2%</b>

\* The percentages represent the percentage of the principal amount of the Credit to be repaid, except as the Association may otherwise specify pursuant to Section 3.03 (b) of the General Conditions.

**SCHEDULE 4**

**Form of Assignment and Release Agreement**

AGREEMENT, dated \_\_\_\_\_, between FEDERAL REPUBLIC OF NIGERIA (the Recipient) and INTERNATIONAL DEVELOPMENT ASSOCIATION (the Association) acting in its own capacity and as administrator of the Global Program to Eradicate Poliomyelitis Trust Funds.

WHEREAS (A) the Recipient has been determined to be eligible for assistance from the Global Program to Eradicate Poliomyelitis Trust Funds (the Trust Funds) upon successful completion of the Partnership for Polio Eradication Project (the Project) as described in Schedule 1 to the Financing Agreement (Amending and Restating the Original Financing Agreements) between the Recipient and the Association dated \_\_\_\_\_, (the Financing Agreement), through the transfer of the principal amount of the Credit to the Association as administrator of the Trust Funds;

(B) the Association has received a performance audit report from an entity selected by the Association, stating that the Project has been successfully carried out; and

(C) upon payment of the Repayment Amount, the Association is prepared to transfer its claim for payment under the Financing Agreement to the Association as administrator of the Trust Funds, following which the Association, as administrator of the Trust Funds, shall cancel such claims and release and discharge the Recipient from such debt.

NOW THEREFORE the parties hereto hereby agree as follows:

**ARTICLE I**  
**Definitions**

Section 1.01. Unless the context otherwise requires, the several terms defined in the Financing Agreement, in the Preamble to this Agreement and in the General Conditions (as so defined) have the respective meanings therein set forth.

**ARTICLE II**  
**Assignment**

Section 2.01. In consideration of the payment of the Repayment Amount of \_\_\_\_\_ United States Dollars (US\$ \_\_\_\_\_), receipt of which is hereby acknowledged, the Association hereby transfers, assigns and sets over the debt due under the Financing Agreement and all the Association's rights, title and interest therein to the Association as administrator of the Trust Funds, and its successors and assigns, to have and to hold, absolutely and forever.

Section 2.02. Notwithstanding the transfer and assignment of the debt due under the Financing Agreement to the Association as administrator of the Trust Funds, the Association acknowledges and agrees that the Association as administrator of the Trust Funds, does not assume and shall not be responsible for any of the liabilities or obligations of the Association under, or in respect of, the Financing Agreement.

**ARTICLE III**  
**Representations and Warranties**

Section 3.01. The Association hereby represents and warrants that:

(a) it is the sole beneficial owner of the debt due under the Financing Agreement with good and marketable title thereto free and clear of any liens, mortgages, security interests, charges, encumbrances or rights of others (except for the rights of the Association as administrator of the Trust Funds under this Agreement) and is exclusively entitled to possess and dispose of the debt due under the Financing Agreement in accordance with this Agreement;

(b) it has all necessary power and authority to enter into, execute and deliver this Agreement and to carry out its obligations hereunder;

(c) the execution and delivery of this Agreement and the consummation of the transactions evidenced and contemplated hereby or hereunder have been duly authorized by all necessary action on its part;

(d) this Agreement constitutes its valid and binding agreement and obligation enforceable and effective in accordance with its terms; and

(e) the performance of its obligations under this Agreement does not and will not conflict with: (i) any applicable law or regulation or any judicial order in effect at the date hereof; (ii) its constitutive documents; or (iii) any agreement or document to which it is a party or which is binding on it.

Section 3.02. The Recipient represents and warrants that:

(a) it is indebted to the Association in the principal amount specified in the Financing Agreement, together with all charges accrued and unpaid thereon;

(b) its liabilities in respect of the debt due under the Financing Agreement are not subject to reduction or diminution in any manner whatsoever including, without limitation, by way of set-off, compensation, counterclaim, defense, damages or otherwise; and



(c) it hereby consents to the transfer and assignment of the debt due under the Financing Agreement to the Association, as administrator of the Trust Funds, pursuant to this Agreement.

#### **ARTICLE IV Release**

Section 4.01. The Association, as administrator of the Trust Funds, having become the owner under this Agreement of the debt due under the Financing Agreement, hereby irrevocably and unconditionally releases and forever discharges the Recipient from any and all liabilities and payment obligations of whatsoever nature, whether present or future, arising in relation to the debt due under the Financing Agreement, all of which are hereby irrevocably cancelled.

#### **ARTICLE V Enforceability of Agreement; Failure to Exercise Rights; Arbitration**

Section 5.01. The rights and obligations of the Recipient and the Association under this Agreement shall be valid and enforceable in accordance with their terms notwithstanding the law of any State or political subdivision thereof to the contrary. Neither the Recipient nor the Association shall be entitled in any proceeding under this Article to assert any claim that any provision of this Agreement is invalid or unenforceable because of any provision of the Articles of Agreement of the Association.

Section 5.02. No delay in exercising, or omission to exercise, any right, power or remedy accruing to either party under this Agreement upon any default shall impair any such right, power or remedy or be construed to be a waiver thereof or an acquiescence in such default. No action of such party in respect of any default, or any acquiescence by it in any default, shall affect or impair any right, power or remedy of such party in respect of any other or subsequent default.

Section 5.03. (a) Any controversy between the parties to this Agreement, and any claim by either such party against the other party arising under this Agreement which has not been settled by agreement of the parties shall be submitted to arbitration by an Arbitral Tribunal as hereinafter provided.

(b) The parties to such arbitration shall be the Association and the Recipient.

(c) The Arbitral Tribunal shall consist of three arbitrators appointed as follows: one arbitrator shall be appointed by the Association, a second arbitrator shall be appointed by the Recipient, and the third arbitrator (hereinafter sometimes called the Umpire) shall be appointed by agreement of the parties or, if they shall not agree, by the President of the International Court of Justice or, failing appointment by said President, by the Secretary-General of the United Nations. If either of the parties shall fail to appoint an arbitrator, such arbitrator shall be appointed by the Umpire. In case any

arbitrator appointed in accordance with this Section shall resign, die or become unable to act, a successor arbitrator shall be appointed in the same manner as herein prescribed for the appointment of the original arbitrator, and such successor shall have all the powers and duties of such original arbitrator.

(d) An arbitration proceeding may be instituted under this Section upon notice by the party instituting such proceeding to the other party. Such notice shall contain a statement setting forth the nature of the controversy or claim to be submitted to arbitration, the nature of the relief sought, and the name of the arbitrator appointed by the party instituting such proceeding. Within thirty days after such notice, the other party shall notify to the party instituting such proceeding the name of the arbitrator appointed by such other party.

(e) If within sixty (60) days after the notice instituting the arbitration proceeding, the parties shall not have agreed upon an Umpire, either party may request the appointment of an Umpire as provided in paragraph (c) of this Section.

(f) The Arbitral Tribunal shall convene at such time and place as shall be fixed by the Umpire. Thereafter, the Arbitral Tribunal shall determine where and when it shall sit.

(g) The Arbitral Tribunal shall decide all questions relating to its competence and shall, subject to the provisions of this Section and except as the parties shall otherwise agree, determine its procedure. All decisions of the Arbitral Tribunal shall be by majority vote.

(h) The Arbitral Tribunal shall afford to all parties a fair hearing and shall render its award in writing. Such award may be rendered by default. An award signed by a majority of the Arbitral Tribunal shall constitute the award of such Tribunal. A signed counterpart of the award shall be transmitted to each party. Any such award rendered in accordance with the provisions of this Section shall be final and binding upon the parties to this Agreement. Each party shall abide by and comply with any such award rendered by the Arbitral Tribunal in accordance with the provisions of this Section.

(i) The parties shall fix the amount of the remuneration of the arbitrators and such other persons as shall be required for the conduct of the arbitration proceedings. If the parties shall not agree on such amount before the Arbitral Tribunal shall convene, the Arbitral Tribunal shall fix such amount as shall be reasonable under the circumstances. Each party shall each defray its own expenses in the arbitration proceedings. The costs of the Arbitral Tribunal shall be divided between and borne equally by the parties. Any question concerning the division of the costs of the Arbitral Tribunal or the procedure for payment of such costs shall be determined by the Arbitral Tribunal.

(j) The provisions of arbitration set forth in this Section shall be in lieu of any other procedure for the settlement of controversies between the parties to this Agreement or of any claim by either party against the other party arising hereunder.

(k) The Association shall not be entitled to enter judgment against the Recipient upon the award, to enforce the award against the Recipient by execution or to pursue any other remedy against the Recipient for the enforcement of the award, except as such procedure may be available against the Recipient otherwise than by reason of the provisions of this Section. If, within thirty (30) days after counterparts of the award shall have been delivered to the parties, the award shall not be complied with by the Association, the Recipient may take any such action for the enforcement of the award against the Association.

(l) Service of any notice or process in connection with any proceeding under this Section or in connection with any proceeding to enforce any award rendered pursuant to this Section shall be made in the manner provided in Section 6.01 of this Agreement. The parties to this Agreement waive any and all other requirements for the service of any such notice or process.

**ARTICLE VI**  
**Miscellaneous**

Section 6.01. Any notice or request required or permitted to be given or made under this Agreement and any agreement between the parties contemplated by this Agreement shall be in writing. Such notice or request shall be deemed to have been duly given or made when it shall be delivered by hand or by mail, telegram, cable, telex or radiogram to the party to which it is required or permitted to be given or made at such party's address hereinafter specified or at such other address as such party shall have designated by notice to the party giving such notice or making such request. The addresses so specified are:

For the Recipient:

The Honorable Minister  
Federal Ministry of Finance  
Ahmadu Bello Way  
Abuja, Nigeria

Facsimile: 234 9 6273609

For the Association:

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

Cable address:	Telex:	Facsimile:
INDEVAS Washington, D.C.	248423 (MCI) or 64145 (MCI)	(202) 477-6391

Section 6.02. This Agreement may be executed in several counterparts, each of which shall be an original.

Section 6.03. This Agreement shall become effective upon its execution by the parties.

IN WITNESS WHEREOF, the parties hereto, acting through their duly authorized representatives, have caused this Agreement to be signed in their respective names in \_\_\_\_\_, \_\_\_\_\_, as of the day and year first above written.

FEDERAL REPUBLIC OF NIGERIA

By

Authorized Representative

INTERNATIONAL DEVELOPMENT ASSOCIATION  
(acting in its own capacity and as Administrator of the Global  
Program to Eradicate Poliomyelitis Trust Funds)

By

Authorized Representative

**APPENDIX****Section I. Definitions**

1. “Anti-Corruption Guidelines” means the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006 with the modifications set forth in Section III of this Appendix.
2. “Assignment and Release Agreement” means the agreement referred to in Section 2.08 of this Agreement, to be entered into between the Recipient and the Association (in its own capacity and as administrator of the GPEP Trust Funds) in accordance with the provisions of this Agreement and substantially in the form set forth in Schedule 4 to this Agreement.
3. “Assignment Trigger” means the receipt by the Association of the Performance Audit, satisfactory to the Association.
4. “Buy-Down” means the transfer of the principal amount of the Credit to the Association as administrator of the GPEP Trust Funds in accordance with this Agreement.
5. “Buy-Down Completion Date” means the date on which the Buy-Down takes place and shall be not later than six (6) months after the Closing Date (or such later date as the Association shall establish by notice to the Recipient).
6. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
7. “FMOH” means the Recipient’s Federal Ministry of Health, or any successor thereto.
8. “General Conditions” means the “International Development Association General Conditions for Credits and Grants”, dated July 31, 2010, with the modifications set forth in Section II of this Appendix.
9. “Global Program to Eradicate Poliomyelitis Trust Funds” or “GPEP Trust Funds” means the trust funds consisting of funds contributed or to be contributed by the Bill and Melinda Gates Foundation and the United Nations Foundation, administered by the Association for the purpose of reducing the cost to borrowers of credits provided by the Association for polio eradication projects.
10. “National Primary Health Care Development Agency” means the Recipient’s agency established pursuant to the National Primary Health Care Development Agency Decree No. 29 of 1992, or any successor thereto.

11. “Performance Audit” means a report to be prepared by an independent auditor acceptable to the Association, confirming the successful completion of the Project based upon the performance indicator referred to in Section II.A.2 of Schedule 2 to this Agreement.
12. “Procurement Guidelines” means the “Guidelines: Procurement under IBRD Loans and IDA Credits” published by the Bank in May 2004 and revised in October, 2006 and May 2010.
13. “Repayment Amount” means the amount which has been calculated by the Association, based on prevailing exchange and interest rates on the date of this Agreement, as the U.S. Dollar equivalent of the net present value of the principal repayments due by the Recipient under Section 2.06 of this Agreement. To determine the net present value, the discount rate shall be an SDR-basket rate for maturities greater than 8.5 years calculated using the Commercial Interest Reference Rates published by the Organization for Economic Cooperation and Development for the component currencies of the SDR.
14. “UNICEF” means United Nations Children’s Fund, an international inter-governmental organization established by the General Assembly of the United Nations by Resolution No. 57(1) of December 11, 1946.
15. “UNICEF Procurement Agreement” means the Agreement to be entered into between the Recipient and UNICEF, in form and substance satisfactory to the Association, for the procurement of oral polio vaccine under Part A of the Project.

## **Section II. Modifications to the General Conditions**

Section 3.01 (b) of the General Conditions is modified to read as follows:

“(b) The Commitment Charge shall accrue from a date sixty days after: (i) the date of the Development Credit Agreement with respect to the unwithdrawn balance of the Original Credit; (ii) the date of the Agreement Amending Development Credit Agreement with respect to the unwithdrawn balance of the First Additional Credit; (iii) the date of the Second Additional Credit Financing Agreement with respect to the unwithdrawn balance of the Second Additional Credit; and (iv) the date of the Financing Agreement (Amending and Restating Development Credit Agreement) with respect to the unwithdrawn balance of the Third Additional Credit, to the respective dates on which amounts are withdrawn by the Recipient from the Financing Account or cancelled. The Commitment Charge shall accrue at the rate set as of the June 30 immediately preceding the accrual date and at such other rate as may be set from time to time thereafter pursuant to this Section. The rate set as of June 30 in each year shall be applied from the next Payment Date in that year. The Commitment Charge shall be

payable semi-annually in arrears on each Payment Date. The Commitment Charge shall be computed on the basis of a 360-day year of twelve 30-day months.”

### **Section III. Modifications to the Anti-Corruption Guidelines**

The modifications to the Anti-Corruption Guidelines are as follows:

1. Section 5 is re-numbered as Section 5(a) and a new Section 5(b) is added to read as follows:
 

“... (b) These Guidelines also provide for the sanctions and related actions to be imposed by the Bank on Borrowers (other than the Member Country) and all other individuals or entities who are recipients of Loan proceeds, in the event that the Borrower or the individual or entity has been debarred by another financier as a result of a determination by such financier that the Borrower or the individual or entity has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of a financing made by such financier.”
2. Section 11(a) is modified to read as follows:
 

“... (a) sanction in accordance with prevailing Bank’s sanctions policies and procedures (fn13) a Borrower (other than a Member Country) (fn 14) or an individual or entity, including (but not limited to) declaring such Borrower, individual or entity ineligible publicly, either indefinitely or for a stated period of time: (i) to be awarded a Bank-financed contract; (ii) to benefit from a Bank-financed contract, financially or otherwise, for example as a sub-contractor; and (iii) to otherwise participate in the preparation or implementation of the project or any other project financed, in whole or in part, by the Bank, if at any time the Bank determines (fn 15) that such Borrower, individual or entity has engaged in corrupt, fraudulent, collusive, coercive or obstructive practices in connection with the use of loan proceeds, or if another financier with which the Bank has entered into an agreement for the mutual enforcement of debarment decisions has declared such person or entity ineligible to receive proceeds of financings made by such financier or otherwise to participate in the preparation or implementation of any project financed in whole or in part by such financier as a result of a determination by such financier that the Borrower or the individual or entity has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of a financing made by such financier.”



Footnotes:

“13. An individual or entity may be declared ineligible to be awarded a Bank financed contract upon completion of sanctions proceedings pursuant to the Bank’s sanctions policies and procedures, or under the procedures of temporary suspension or early temporary suspension in connection with an ongoing sanctions proceeding, or following a sanction by another financier with whom the Bank has entered into a cross debarment agreement, as a result of a determination by such financier that the firm or individual has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of a financing made by such financier.”

“14. Member Country includes officials and employees of the national government or of any of its political or administrative subdivisions, and government owned enterprises and agencies that are not eligible to bid under paragraph 1.8(b) of the Procurement Guidelines or participate under paragraph 1.11(c) of the Consultant Guidelines.”

“15. The Bank has established a Sanctions Board, and related procedures, for the purpose of making such determinations. The procedures of the Sanctions Board sets forth the full set of sanctions available to the Bank. In addition, the Bank has adopted an internal protocol outlining the process to be followed in implementing debarments by other financiers, and explaining how cross-debarments will be posted on the Bank’s website and otherwise be made known to staff and other stakeholders.”