

PARTNERSHIP AGREEMENT FOR ADVISORY SERVICES

**Italy National Program to Fight Poverty: Implementation Support
to the Integration with Social Services – Phase II**

between

**MINISTRY OF LABOR AND SOCIAL POLICY
OF THE ITALIAN REPUBLIC**

and the

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

PARTNERSHIP AGREEMENT FOR ADVISORY SERVICES

AGREEMENT dated as of the Signature Date between MINISTRY OF LABOR AND SOCIAL POLICY OF THE ITALIAN REPUBLIC (the “Client” or “MoLSP”) and the INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (the “Bank”) (jointly referred to as “the Parties” and each of them a “Party”).

WHEREAS, the Bank: (i) is deemed uniquely qualified to provide analytical, advisory and knowledge services to the MoLSP based on its recognized international expertise and its previous experience advising countries worldwide in the area of social assistance reforms; (ii) is widely acknowledged to be one of the leading bodies providing policy advice and program implementation support in the area of social assistance and poverty reduction programs to governments throughout the world, including in European Union member states; and (iii) has assisted numerous governments setting up and implement conditional cash transfers, poverty-targeted programs, and social assistance programs.

WHEREAS, on February 22, 2018, the Parties entered into a partnership agreement for advisory services to provide program implementation support in a multi-level governance context for the Guaranteed Minimum Income (the “GMI”) program, with particular focus on its social inclusion component as an example of case management program supporting people in poverty, as amended and restated on July 15, 2019, and as further amended on 16 April 2021 (the “Phase I PAAS Engagement”).

WHEREAS, the Phase I PAAS Engagement is coming to an end on October 23, 2023, and the Client has requested the Bank to continue to provide to the Client advisory services (the “Advisory Services”) described in the Schedule to this Agreement to strengthen the capacity of MoLSP as well as the regional and local levels in the implementation of the National Measure to Fight Poverty and its integration with social services under the National Plan on Interventions and Social Services to Fight Poverty and with actions that will be implemented within the framework of the objectives of Italy’s National Program Social Inclusion and Poverty Reduction 2021- 2027 (*Programma Nazionale Inclusione e Lotta alla Povertà 2021-27*) to promote social inclusion and fight poverty through an integrated approach that addresses the root causes of social exclusion and poverty. The Advisory Services will include lessons learned from the implementation of other similar programs worldwide.

NOW, therefore, the Parties agree as follows:

1. **Advisory Services.** The Bank shall provide to the Client the reimbursable Advisory Services described in the Schedule to this Agreement, on the terms and conditions set out in this Agreement, including the Annex hereto, which constitutes an integral part hereof.
2. **Client Contacts.** In carrying out the Advisory Services, the Bank shall work closely with the designated officials of the Client. The Client shall provide the Bank with the names and contact information for said designated officials.
3. **Payment**
 - (a) The Client shall pay the Bank a fixed fee of nineteen million Euro (€ 19,000,000) in accordance with the following schedule of payment:

	Amount of Installment	Event upon which Payment is Due
(i)	€ 950,005	Upon effectiveness of this Agreement
(ii)	€ 2,406,665	Upon the submission by the Bank and approval by the Client of Deliverable 1 set forth in the Timetable under Section 2 of the Schedule to this Agreement
(iii)	€ 2,406,665	Upon the submission by the Bank and approval by the Client of Deliverable 2 set forth in the Timetable under Section 2 of the Schedule to this Agreement
(iv)	€ 2,406,665	Upon the submission by the Bank and approval by the Client of Deliverable 3 set forth in the Timetable under Section 2 of the Schedule to this Agreement
(v)	€ 2,406,665	Upon the submission by the Bank and approval by the Client of Deliverable 4 set forth in the Timetable under Section 2 of the Schedule to this Agreement
(vi)	€ 2,406,665	Upon the submission by the Bank and approval by the Client of Deliverable 5 set forth in the Timetable under Section 2 of the Schedule to this Agreement
(vii)	€ 2,406,665	Upon the submission by the Bank and approval by the Client of Deliverable 6 set forth in the Timetable under Section 2 of the Schedule to this Agreement
(viii)	€ 3,610,005	Upon the submission by the Bank and approval by the Client of Deliverable 7 set forth in the Timetable under Section 2 of the Schedule to this Agreement

(b) All payments to the Bank hereunder shall be made in full when due, upon submission of an invoice by the Bank. Payment shall be made in Euro in immediately available funds, without any deductions whatsoever for taxes, duties, charges or other withholdings, and notwithstanding any pending dispute between the Parties, to such account as the Bank may from time to time designate in writing.

(c) The Bank shall submit each deliverable to the Client, according to the tentative timetable of Section 2 of the Schedule to this Agreement. The Client has thirty (30) calendar days from the date of each submission of each deliverable in English or in Italian to either provide written approval or request a revision of said deliverable. If the Client remains silent, the deliverable shall be considered accepted without reservations by the Client, after thirty (30) business days from the date of the deliverable's submission to the Client. If the Bank receives a request for revision of a specific deliverable from the Client, the Bank shall revise said deliverable and resubmit it once to the Client and/or provide comments and clarifications. In case of deliverables submitted in English, the Italian translation of the final deliverable shall be submitted not later than thirty (30) calendar days following the submission of the English version of the final deliverable.

4. **Effectiveness.** This Agreement shall become effective as of the later of: (i) the date on which the Bank has received a communication in writing in form and substance acceptable to the Bank showing that all legally required national procedures and actions for the entry into force of the Agreement have been fulfilled by the MoLSP and that the Agreement is legally binding upon it in accordance with its terms; and (ii) October 24, 2023 ("Effective Date").

5. **Expiration.** This Agreement shall expire on the date falling sixty-three (63) months after the Effective Date (“Expiration Date”), unless it shall earlier be extended with the written mutual agreement of the Parties.

6. **Addresses.** For purposes of the Section *Execution of this Agreement. Notices and Requests* of the Annex to this Agreement:

(a) the Client’s address is:

Ministry of Labor and Social Policy
Via Fornovo 8
00192 Rome, Italy

(b) the Client’s Electronic Address is:

E-mail: ponelli@lavoro.gov.it

(c) the Bank’s address is:

The World Bank
1818 H Street, NW
Washington, DC 20433
United States of America; and

(d) the Bank’s Electronic Address is:

E-mail: amarini@worldbank.org

IN WITNESS WHEREOF, the Parties hereto, acting through their duly authorized representatives, have caused this Agreement to be signed in their respective names.

MINISTRY OF LABOR AND
SOCIAL POLICY OF THE ITALIAN
REPUBLIC

INTERNATIONAL BANK FOR
RECONSTRUCTION AND
DEVELOPMENT

By: Paolo Onelli
Authorized Representative

By: Gallina Vincelette
Authorized Representative

Name: Paolo Onelli

Name: Gallina A. Vincelette

Title: Director, Directorate General for
the fight against poverty and for social
planning

Title: Country Director for European Union
Countries

Date: 29-Mar-2023

Date: 28-Mar-2023

SCHEDULE

Description of the Advisory Services

A. **Advisory Services.** The Advisory Services shall include the following activities and deliverables:

Activities

Pillar I: Supporting the national level capacity for the implementation of the National Measure to Fight Poverty and its integration with social services

1. Support to improve communication capacity

Building the capacity of relevant MoLSP staff and social workers in Participating Regions and selected *Ambiti* on communication activities related to the National Measure to Fight Poverty and its integration with relevant social services by:

- a) providing relevant international good practices to MoLSP to inform its design of a new website for the National Measure to Fight Poverty;
- b) providing the MoLSP with technical inputs to inform its creation of innovative communication products, such as short videos, articles, booklets, or short stories and provide support to the MoLSP to establish and train a dedicated team for the management of a regular newsletter for social operators as well as to define key messages and prepare communication materials for the MoLSP press office;
- c) building capacity within the MoLSP in communicating data through storytelling, with reference to the data produced for the Annual Report, including on how to improve collaboration with key stakeholders, such as CNOAS, ANCI, and ANPAL, as relevant;
- d) building the MoLSP's capacity in preparing materials and interviews for public events, outreach campaigns, or publications; and
- e) building the MoLSP's capacity for the organization of regular meetings of the steering committee (*Cabina di Regia*) of the National Measure to Fight Poverty, including providing technical inputs and good practices for the regular presentation of monitoring data.

2. Enhance the use of data to monitor the program

Providing technical advice to the MoLSP on monitoring the uniform implementation of the National Measure to Fight Poverty and its integration with social services across the national territory as well as in monitoring the achievement of selected LEPS by: (i) strengthening the MoLSP's capacity to monitor the provision of a minimum set of social services for the poor and other vulnerable groups; and (ii) identifying areas with implementation challenges. In particular, the Bank will:

- a) build the capacity of relevant MoLSP staff for the continuous improvement of the Monitoring Dashboards;
- b) provide recommendations to MoLSP on improving indicators in the Monitoring Dashboards and introducing new indicators to monitor all phases/aspects of the National Measure to Fight Poverty as well as the achievement of selected LEPS;
- c) provide technical advice to MoLSP on the preparation and automatization of the Annual Report;
- d) provide technical advice to MoLSP on the preparation and automatization of the regular monitoring reports on the social and labor inclusion paths of the National Measure to Fight Poverty, using data extracted from the Monitoring Dashboards;
- e) provide technical advice to the MoLSP on the creation of automatic reports and tables from the Monitoring Dashboards, to be included in the Annual Report as well as in the regular monitoring reports with ANPAL on the social and labor inclusion path;

- f) provide recommendations and capacity building to relevant MoLSP staff on the preparation of relevant technical documentation and manuals to support the users of the Monitoring Dashboards (e.g., navigation guides, detailed descriptions of indicators, libraries, etc.);
- g) develop a proposed quality standard framework to monitor implementation of the National Measure to Fight Poverty and the achievement of selected LEPS for beneficiaries across the Participating Regions and selected *Ambiti* in the priority areas to be identified by the MoLSP, in consultation with the Bank. The proposed framework will include proposed strategies for the use of performance indicators to be included in the Monitoring Dashboards and for structured in-depth discussions or focus groups with operators;
- h) organize thematic sessions of in-depth monitoring, which could be informed with the production of “deep dive” thematic reports or evaluation studies;
- i) provide capacity building to relevant MoLSP staff on the efficient management of microdata extracted from the Case Management Information System to increase the transparency and replicability of the analyses; and
- j) organize training workshops for the MoLSP staff and staff of other relevant ministries, as well as the staff of Participating Regions and selected *Ambiti* on the use of the Monitoring Dashboards and on selected monitoring activities.

3. Support for the evaluation of the National Measure’s implementation and impact

Supporting MoLSP to strengthen its capacity for assessing the implementation of the National Measure to Fight Poverty and its integration with social services and supporting the MoLSP in developing the evaluation strategy and in generating quantitative and qualitative data-based evidence to document processes, impact and identify areas of improvement. In particular, the Bank will:

- a) propose the scope of evaluation activities and strengthen MoLSP’s staff evaluation capacity by training MoLSP staff and the staff of Participating Regions and selected *Ambiti* (e.g. through “evaluation workshops”) on the methodology used for the analysis, focusing on replicability of the analysis (i.e., at the local level) and on planning new evaluation activities;
- b) carry out the analysis related to the impact evaluation of the social and labor inclusion paths of the National Measure to Fight Poverty;
- c) carry out relevant qualitative studies to understand the challenges and the success factors of the social and labor inclusion paths of the National Measure to Fight Poverty, in consultation with Participating Regions involved in the impact evaluation;
- d) conduct an in-depth analysis of specific sub-populations of beneficiaries of the National Measure to Fight Poverty (such as, families that are re-directed from social to labor services, single member households), using relevant administrative data to be provided by MoLSP;
- e) carry out a process evaluation to identify bottlenecks and areas of improvements in the implementation of the National Measure to Fight Poverty and its integration with social services;
- f) present the findings and proposed areas of improvement to the MoLSP directorates, and other relevant national level institutions (i.e., other ministries, INPS, ANPAL), Participating Regions and selected *Ambiti*; and
- g) provide technical inputs to inform MoLSP’s finalization of relevant sections of the Annual Report.

4. Support to strengthen case management through information systems

Providing international good practices to the MoLSP to enhance the Case Management Information System and other selected national and local platforms that gather data on available benefits and services, aimed at further enhancing the implementation of the National Measure and supporting a more integrated provision of social benefits and services for all citizens. In particular, the Bank will:

- a) provide technical advice to MoLSP for continuously improving the functionalities of the Case Management Information System, as required by possible changes in the legislative framework governing the national poverty reduction scheme;
- b) provide technical advice on the usability of the Case Management Information System, conducting validation rounds with social workers and developing a proposed human-centered design approach;
- c) provide technical advice to inform MoLSP's activation of the interoperability of the Case Management Information System with relevant national level institutions, starting from INPS, as well as selected sub-national information systems;
- d) provide technical advice and good practices to inform MoLSP's extension of the Case Management Information System to support its use as a tool for case management beyond the duration of the income benefit of the National Measure and for households that have never been among its beneficiaries;
- e) provide technical advice to inform MoLSP's creation of a "beneficiaries' portal" to allow households to monitor the benefits and services they are currently receiving through the National Measure and to receive information on their benefit's status, among other functionalities;
- f) provide technical advice to inform MoLSP's enhancement of the Case Management Information System's internal dashboard to be able to monitor the work and performance of case managers to support coordinators in managing local teams; and
- g) provide technical advice to inform MoLSP's development of an inventory of social benefits and services, building upon the relevant existing portals and databases, in view of a comprehensive provision of social benefits to households at the local level.

Pillar II: Supporting the regional and local capacity for the implementation of the National Measure to Fight Poverty and its integration with social services

In consultation with the Participating Regions and MoLSP, proposing draft RAPs for the implementation of the National Measure and its integration with social services at the local level, including capacity building of relevant staff at the local level. In particular, the Bank will:

- a) propose draft RAPs to be agreed with the Participating Regions;
- b) provide technical advice and inputs to inform the Participating Regions' programming and governance of social services;
- c) assist the Participating Regions to guide *Ambiti* in the drafting and analysis of Local Action Plans;
- d) provide information to relevant staff from the Participating Regions and selected *Ambiti* on good practices for the creation and consolidation of local networks and supporting the social/labor and social/health inter-sectoral dialogue;
- e) organize regional training sessions to relevant staff from the Participating Regions and selected *Ambiti* on the core aspects of the National Measure to Fight Poverty and its integration with social services, as described in the training and capacity building Pillar III below in line with the scope of work agreed by the Bank in the RAPs;
- f) provide specialized advisory services to relevant staff from the Participating Regions and selected *Ambiti*, to strengthen local capacity with respect to the use of assessment tools, mapping of services, organization of intermediation services/case managers on the ground;
- g) propose key principles and provide capacity building to relevant staff from the Participating Regions and selected *Ambiti* on setting up Communities of Practice (CoP) to foster regular virtual and in-person exchanges of good practices/knowledge and sharing of international experiences on specific themes and activities carried out in the framework of RAP implementation; and
- h) systematize lessons learned to be shared across Participating Regions and selected *Ambiti*.

Pillar III: Training and capacity building of staff operating at the national, regional, and local level on the implementation of the National Measure to Fight Poverty and its integration with social services

Strengthening the capacity of staff responsible for the implementation of the National Measure and its integration with social services at the national, regional, and local level through advisory support, training material, and delivering training to relevant staff at MoLSP, the Participating Regions and selected *Ambiti*, including:

Proposed continuation of activities under the Phase I PAAS Engagement

- a) support to the MoLSP in drafting, revising, and categorizing Frequently Asked Questions (FAQs) for both citizens and operators;
- b) training on the “compulsory community-volunteering projects” (*Progetti Utili alla Collettività – PUC*) as currently implemented in the existing National Plan on Interventions and Social Services to Fight Poverty or as they might evolve;
- c) training on the links between the National Plan on Interventions and Social Services to Fight Poverty and the ‘Care Leavers’ Program;
- d) training on access to the funds made available at the national level in order to strengthen local social services, including proposed guidelines and presentations, drafting FAQs based on interactions with *Ambiti* and development of proposed standard templates to support local planning for the use of the funds in the form of a Local Action Plan; and
- e) support to the MoLSP in drafting manuals and FAQs on SIOSS.

New activities under this Agreement

- f) training on joint management of local services (*gestione associata*);
- g) preparing proposed content for communities of practice convened by the MoLSP or by the Participating Regions for administrative staff responsible for programming the use of funds and for planning the organization of social services at the *Ambito* level (e.g., *uffici di piano*);
- h) training on links between the Case Management Information System and the inventory of social benefits and services (SIUSS); and
- i) organizing up to one per year exchange programs with other relevant global poverty reduction programs, scoping for relevant international experiences, by providing the proposed agenda, information material, and participation of Bank representatives to accompany the Client.

It is expressly agreed and understood that the Bank shall not be responsible for: (A) the production and finalization of the technical specifications and development of the website referenced in Activity 1(a) of Pillar I; (B) the production and finalization of the technical specifications and development of the Monitoring Dashboards referenced in Activity 2 of Pillar I; (C) the production and finalization of the technical specifications and full development of the information systems referenced in Activity 4 of Pillar I; (D) the production and finalization of the technical specifications and full development of the beneficiary’s portal referenced in Activity 4(e) of Pillar I; and (E) the implementation of any advice provided under this Agreement.

2. **Timetable.** The Bank shall endeavor to perform the Advisory Services in accordance with the following tentative timetable:

Deliverable	Estimated Due Date
Progress Report 1	Eight (8) months after the Effective Date
Progress Report 2	Sixteen (16) months after the Effective Date
Progress Report 3	Twenty-four (24) months after the Effective Date

Deliverable	Estimated Due Date
Progress Report 4	Thirty-two (32) months after the Effective Date
Progress Report 5	Forty (40) months after the Effective Date
Progress Report 6	Forty-eight (48) months after the Effective Date
Progress Report 7 (final report)	Sixty (60) months after the Effective Date

Any changes in the expected time of completion set forth in the above table may be agreed upon between the Parties through an exchange of letters.

The Progress Reports shall include a description of the activities carried out under this Agreement, including next steps planned for the following reporting period, in line with the indicative format attached as an attachment to this Schedule. The Progress Reports submitted by the Bank shall be labelled with the relevant logos, including the European Union logo, as well as the identification sentence related to the relevant operational program, as indicated by the Client. All public activities related to the deliverables under this Agreement shall mention the financial participation of the European Union.

3. ***Counterparts and Facilities.*** The Client shall:

- (i) Provide the administrative data required to carry out activities under this Agreement, in a timely manner, and in a format acceptable to the Bank as agreed with the MoLSP.
- (ii) Provide facilities for conducting workshops as described in this Agreement.
- (iii) Provide office space for the Bank Personnel to ensure maximum interaction with the counterpart and effectiveness of its capacity building activities.
- (iv) Facilitate contact between the Bank and the staff of MoLSP and other relevant stakeholders.
- (v) Ensure the availability of dedicated staff regarding all components, including the efficient management of microdata extracted from the Case Management Information System, in order to enable the provision of timely support under the RAS.

ATTACHMENT TO THE SCHEDULE

INDICATIVE FORMAT OF THE PROGRESS REPORTS

A. Time Period Covered: _____

B. Summary

Overall Status of Work

- Findings and Issues

C. Progress by Component

a. Pillar I

i. Activities and Analysis Completed

ii. Next steps

b. Pillar II

i. Activities and Analysis Completed

ii. Next steps

c. Pillar III

i. Activities and Analysis Completed

ii. Next steps

D. Conclusion

STANDARD TERMS AND CONDITIONS

1. **Performance Standard; Non-Exclusivity.** The Bank shall carry out the Advisory Services with the same care and diligence as it uses in its other analytical and advisory activities. The engagement of the Bank as adviser to the Client hereunder is non-exclusive and shall not restrict the Client from engaging other advisers on the same or related issues.
2. **Bank Personnel.** The Bank shall, in its sole discretion, determine the Bank Personnel assigned to perform the Advisory Services. The Client may, if it has reasonable cause for dissatisfaction with the performance of any of the Bank Personnel, request the Bank to replace such person(s). For avoidance of doubt, it is agreed and understood that this Agreement does not create any employment or other contractual relationship between the Client and Bank Personnel.
3. **Client Cooperation and Contributions.** (a) The Client shall at all times: (i) provide the Bank in a timely manner with any and all information that may affect the performance of the Advisory Services; (ii) inform the Bank of any developments relating to the Advisory Services; (iii) permit Bank Personnel to have access to site(s) and facilities, personnel and any documentation relevant to perform the Advisory Services; and (iv) do all things necessary to enable Bank Personnel to carry out the Advisory Services, including adopting decisions, carrying out activities and providing facilities and other arrangements necessary to facilitate and support the provision of the Advisory Services, as set out in the Schedule to this Agreement.

(b) It is expressly agreed and understood that the Bank shall bear no responsibility for any delay in performance or nonperformance occasioned by the Client's failure to comply with its obligations under paragraph (a) of this Section 3 and under the Schedule to this Agreement, as applicable.
4. **Timing.** The Bank undertakes to mobilize all reasonable means available to it to carry out the Advisory Services in a timely manner. The timetable set out in the Schedule to this Agreement has been prepared in good faith based on information available to the Bank at the time of its preparation, and is given on an indicative basis assuming that the Client and its personnel shall carry out their respective obligations as set forth in Section 3 (a) of this Annex and in the Schedule to this Agreement, as applicable, in a satisfactory and timely manner.
5. **Bank Operational Policies.** The Bank shall provide its advice in a manner consistent with its policies, including with respect to environmental and social aspects of the Advisory Services.
6. **Confidentiality.** The Client hereby authorizes the Bank to publicly disclose this Agreement and the deliverables set out in the Schedule to this Agreement in their final form. With respect to underlying information provided by the Client in support of the Advisory Services, the Client reserves the right to designate said information as confidential. The Bank may publicly disclose such information only after the Client has given its prior written consent. With respect to underlying information (other than the final deliverables) provided by the Bank in support of the Advisory Services, the Bank reserves the right to designate said information as confidential. The Client may publicly disclose such information only after the Bank has given its prior written consent.
7. **Intellectual Property.** The intellectual property rights of each Party in any of its pre-existing data or documents used by the Bank in connection with the Advisory Services shall remain with that Party. The intellectual property rights in new materials prepared by the Bank in connection with the Advisory Services shall belong to the Client provided, however, that the Bank shall have the global, non-exclusive, perpetual (for the duration of the copyright), fully sub-licensable and royalty-free right to use, copy, display, distribute, publish and create derivative works of all or part of these materials and incorporate the information therein in its research, papers, publications, web sites, and other media without the consent of

the Client, subject to the limitations on disclosure of confidential information and any third party rights, as indicated in Section *Confidentiality* of this Annex.

8. ***Representation of the Bank's Views and Use of the Bank's Name, Marks and Logo.*** (a) The Parties agree that neither Party shall represent, or permit the representation of, the other Party's views without the prior written consent of such Party.

(b) The Client further agrees that it shall not use, or permit the use of the Bank's name, marks or logos in any advertisements, promotional literature or information without the prior written consent of the Bank, and that if such consent is provided that it shall use the name, marks and logos strictly in accordance with the permission provided and with the insertion of the Bank's usual disclaimers.

(c) Both Parties shall include the appropriate attribution and disclaimers in new materials prepared in connection with the Advisory Services.

9. ***Disclaimers and Liabilities.*** (a) While the Bank shall exercise the same care and diligence in the performance of the Advisory Services as it does in its other analytical and advisory activities, the Bank makes no express or implied representation or warranty as to the extent of success that may be achieved in the implementation of any advice provided as part of the Advisory Services. If during the carrying out of the Advisory Services the Client implements the advice provided by the Bank in a manner that is not consistent with such advice, the Bank may immediately terminate this Agreement.

(b) Without limitation to the immunities and privileges of the Bank under its Articles of Agreement and other applicable rules of law, the Bank shall not be liable to the Client or other third party for any loss, cost, damage or liability that the Client shall incur as a result of the Advisory Services, except for those resulting from the gross negligence or willful misconduct of the Bank or Bank Personnel. Notwithstanding anything herein, the Bank's liability, if any, to the Client hereunder shall not extend to any indirect, punitive or consequential damage, loss of profit or loss of opportunity, nor shall it exceed the amount of the professional fees received by the Bank for its account under this Agreement.

(c) The purpose of this Agreement is not to create a partnership, joint venture or similar arrangement whereby the Parties could be held jointly liable vis-a-vis third Parties or for any other purposes. Nothing herein shall constitute a commitment by the Bank to provide financing to the Client.

10. ***Enforceability.*** The rights and obligations of the Bank and the Client 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.

11. ***Settlement of Disputes.*** (a) The Parties hereto shall endeavor in good faith to resolve any differences or disputes under, or in connection with, this Agreement by amicable settlement. Any dispute arising out of or in connection with this Agreement which is not settled by agreement of the Parties shall be finally settled by arbitration in accordance with the UNCITRAL Arbitration Rules in force on the Signature Date. In the event of a conflict between the UNCITRAL Arbitration Rules and the terms of this Agreement, the terms of this Agreement shall govern.

(b) Neither the Client nor the Bank shall be entitled in any proceeding under paragraph (a) of this Section to assert any claim that any provision of these Standard Conditions or of the Agreement is invalid or unenforceable because of any provision of the Bank's Articles of Agreement.

12. ***Privileges and Immunities; Tax Immunity.*** The Client recognizes and shall take all reasonable steps to give effect to the status, immunities and privileges of the Bank and its Personnel set forth in the

Bank's Articles of Agreement and other applicable rules of law. The Parties acknowledge and agree that no provision of this Agreement, nor the submission to arbitration by the Bank, in any way constitutes or implies a waiver, renunciation, termination, or modification by the Bank of any privilege, immunity or exemption of the Bank granted in the Bank's Articles of Agreement and other applicable rules of law. This includes, *inter alia*, the immunity of the Bank, its assets, income and its operations and transactions, from all taxation and customs duties.

13. **Amendments.** Any amendment or waiver of, or any consent given under, any provision of this Agreement shall be in writing and, in the case of an amendment, signed by the Parties.

14. **Saving of Rights.** No course of dealing and no failure or delay by any Party in exercising any power, remedy, discretion, authority or other right under this Agreement shall impair, or be construed to be a waiver of or an acquiescence in, that or any other power, remedy, discretion, authority or right under this Agreement, or in any manner preclude its additional or future exercise.

15. **Successors and Assignees; No Assignment without Consent.** This Agreement binds and benefits the respective successors and assignees of the Parties, provided that none of them may assign this Agreement in whole or in part without the prior written consent of the other.

16. **Entire Agreement; Language.** (a) This Agreement constitutes the entire agreement between the Parties and supersedes any prior agreements between the Parties with respect to the subject matter hereof.

(b) This Agreement has also been prepared in the Italian language at the request of the Client, however, only the English version of the Agreement shall be legally binding.

17. **Termination.** (a) Either the Client or the Bank may terminate this Agreement prior to its expiration upon ninety (90) calendar days written notice to the other. Upon receipt of such notice, the Parties shall take all appropriate steps to terminate in an orderly manner the activities then ongoing under the Advisory Services and to settle promptly all outstanding matters.

(b) Notwithstanding termination or expiration of this Agreement, the provisions of this Agreement relating to: (i) the obligations under the Sections *Confidentiality*, *Intellectual Property* and *Privileges and Immunities* of this Annex; and (ii) the obligation of the Client to pay to the Bank remuneration for the Advisory Services performed prior to the date of termination or expiration of the Agreement, as well as reimburse any reasonable costs related to the termination of the Agreement by the Client, shall continue in full force and effect.

18. **Execution of this Agreement; Notices and Requests.** (a) This Agreement may be executed in several counterparts, each of which is an original, but all of which constitute the same agreement. If executed by Electronic Means, this Agreement is an original.

(b) Any notice or request required or permitted to be given pursuant to this Agreement shall be in writing. Such notice or request shall be deemed to have been duly given or made when delivered by hand, by mail, or Electronic Means, to the Party to which it is to be given or made at such Party's address or Electronic Address, set out in Section 6 of this Agreement, or at such other address or Electronic Address as such Party shall have designated by notice to the Party giving such notice or making such request. Notices delivered by Electronic Means shall be deemed dispatched by the sender from its Electronic Address when it leaves the Electronic Communications System of the sender and shall be deemed received by the other Party at its Electronic Address when such notice or request becomes capable of being retrieved in machine readable format by the Electronic Communications System of the receiving Party.

(c) Electronic Documents shall have the same legal force and effect as other documents, including any notice or request under this Agreement, not executed or transmitted by Electronic Means.

19. **Records.** The Bank shall keep appropriate records of the Advisory Services in accordance with its normal record-keeping practices and shall furnish to the Client such information regarding the Advisory Services as the Client shall reasonably request. As such, the Bank shall maintain appropriate records for a period of five (5) years after the end of the Bank's fiscal year to which the record pertains.

20. **Definitions**

(a) "ANCI" means the association of Italian municipalities.

(b) "Annual Report" means the report that MoLSP is required to submit annually to the Italian Parliament in accordance with Article 10 of Legislative Decree n. 4 dated January 28, 2019 on the Monitoring of the National Program to Fight Poverty.

(c) "ANPAL" means the National Agency for Active Labor Market Policies.

(d) "*Ambito*" or "*Ambiti*" are the local areas exercising local social functions as defined in article 8, paragraph 3a of Law n. 328, dated November 13, 2000.

(e) "Bank Personnel" means any Bank staff (including staff holding consultant appointments).

(f) "Care Leavers' Program" means the pilot program established in accordance with Article 1, paragraph 250, of Law n. 205, dated December 27, 2017, "*Bilancio di previsione dello Stato per l'anno finanziario 2018 e bilancio pluriennale per il triennio 2018 – 2020*", supporting those who, upon reaching the age of 18, live outside their family of origin on the basis of a decision by the judicial authority, and any successor program thereto.

(g) "Case Management Information System" means the *Piattaforma per la gestione dei Patti per l'inclusione sociale (GePI)*, the platform for the implementation of the activities performed by social workers in Italian municipalities developed by MoLSP with technical advice from the Bank, or any subsequent case management information system that may be developed for this purpose.

(h) "CNOAS" means the National Association of Social Workers.

(i) "Community of Practice" or "CoP" refers to a group of stakeholders including those responsible for regional social policies in charge of implementing the National Program to fight poverty at the National, Regional, and *Ambiti* level who engage in a process of collective learning within the domain of the National Program's implementation.

(j) "Electronic Address" means the designation of an address that uniquely identifies a person within a defined Electronic Communications System for purposes of authenticating the dispatch and receipt of Electronic Documents.

(k) "Electronic Communications System" means the collection of computers, servers, systems, equipment, network elements and other hardware and software used for the purposes of generating, sending, receiving or storing or otherwise processing Electronic Documents, acceptable to the Bank and in accordance with any such additional instructions as the Bank may specify from time to time to the Client.

- (l) “Electronic Document” means information contained in this Agreement or a notice under this Agreement that is transmitted by Electronic Means.
- (m) “Electronic Means” means the generation, sending, receiving, storing or otherwise processing of an Electronic Document by electronic, magnetic, optical or similar means, including, but not limited to, electronic data interchange, electronic mail, telegram, telex or telecopy, acceptable to the Bank.
- (n) “INPS” means the Italian National Social Security Institute (*Istituto Nazionale Previdenza Sociale*).
- (o) “LEPS” means the minimum common service standards (*livelli essenziali delle prestazioni sociali*) that each *Ambito* must deliver.
- (p) “Local Action Plans” means *Piano di Attuazione Locale*, the action plans developed by *Ambiti*, describing interventions planned with the national funds distributed for the strengthening of local services, including the National Fund against Poverty (*Quota Servizi del Fondo Povertà*).
- (q) “Monitoring Dashboards” means the three monitoring dashboards developed by the MoLSP with Bank support during the Phase I PAAS Engagement, or any additional monitoring dashboards that may be developed by the Client at the national or local level for the purpose of: (i) the supervision of the implementation of the National Program; (ii) the facilitation of local monitoring and planning of services related to the National Program; or (iii) enabling access to the public of the most relevant indicators of the National Program, as well as facilitating its transparency and the public communication of its objectives.
- (r) “National Measure to Fight Poverty” or “National Measure” means the current “*Reddito di Cittadinanza*” measure under the National Plan on Interventions and Social Services to Fight Poverty, or any successor measure(s) on guaranteed minimum income.
- (s) “National Plan on Interventions and Social Services to Fight Poverty” means the current plan entitled “*Piano per gli interventi e i servizi sociali di contrasto alla povertà*” introduced by Legislative Decree n. 4 dated January 28, 2019, or any successor plan or program on guaranteed minimum income.
- (t) “Participating Regions” are the following administrative units defined in Article 114 of the Italian Constitution: Abruzzo, Basilicata, Calabria, Campania, Emilia Romagna, Friuli Venezia Giulia, Lazio, Liguria, Lombardia, Marche, Molise, Piemonte, Puglia, Sardegna, Sicilia, Toscana, Umbria, Val d’Aosta, Veneto, and the autonomous provinces of Trento and Bolzano; and “Participating Region” means each participating region or autonomous province, individually considered.
- (u) “Regional Action Plan” or “RAP” means the regional action plans of the Participating Regions, identifying needs and priorities of each Participating Region to receive Bank support and includes the most relevant developments at the regional level in terms of poverty and socio-economic inclusion.
- (v) “Signature Date” means the later of the two dates on which the Client and the Bank signed this Agreement.
- (w) “SIOSS” means the Information System on the Supply of Social Services, available at <https://www.lavoro.gov.it/strumenti-e-servizi/Sistema-informativo-servizi-sociali/Pagine/SIOSS.aspx>
- (x) “SIUSS” means the Unified Information System on Social Services, available at <https://www.lavoro.gov.it/strumenti-e-servizi/Sistema-informativo-servizi-sociali/Pagine/default.aspx>