
GRANT NUMBER E3180-AF

Financing Agreement

(Additional Financing for the Afghanistan Community Resilience and Livelihoods Project)

between

INTERNATIONAL DEVELOPMENT ASSOCIATION

and

**UNITED NATIONS OFFICE FOR PROJECT SERVICES
(for the benefit of Afghanistan)**

GRANT NUMBER E3180-AF

FINANCING AGREEMENT

AGREEMENT dated as of the Signature Date between INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”) and UNITED NATIONS OFFICE FOR PROJECT SERVICES (“Recipient” or “UNOPS”).

WHEREAS:

- (A) the United Nations has, in response to the risks of severe drought in Afghanistan and the crisis therein following the events that occurred on August 15, 2021, requested the Association on November 7, 2021, to finance international community’s efforts for providing humanitarian assistance and protecting basic service delivery in Afghanistan;
- (B) the ARTF Management Committee and the Association approved in May 2022, a proposal for financing of the Original Project (as hereinafter defined) in the overall amount not to exceed two hundred and sixty-five million United States Dollars (\$265,000,000) out of the ARTF (the “Original Financing Allocation”), of which the Association extended to the Recipient the first tranche of the Original Financing Allocation in the amount of one hundred million United States Dollars (\$100,000,000) on terms and conditions set forth or referred to in the Grant Agreement, dated May 4, 2022, as amended (the “Original Grant Agreement”), to assist in the financing of the Original Project;
- (C) the Recipient requested, and the ARTF Management Committee and the Association approved in June 2023, a release of a second tranche of the Original Financing Allocation in the amount of one hundred and sixty-five million United States Dollars (\$165,000,000) out of the ARTF, to assist in the financing of the Original Project;
- (D) the Recipient requested, and the ARTF Management Committee and the Association approved on January 30, 2024, a proposal for additional financing for the Project in an amount not to exceed seventy million United States Dollars (\$70,000,000) out of the ARTF provided to the Recipient under the Grant Agreement, dated February 02, 2024 (“Grant Agreement”) to assist in the financing of the Project; and
- (E) the Recipient, having satisfied itself as to the feasibility of the Project, has requested the Association to assist with additional financing of the Project;

- (F) the Association has agreed on the basis, *inter alia*, of the foregoing to extend to the Recipient a grant for the benefit of the people of Afghanistan upon terms and conditions set forth in this Agreement;

NOW THEREFORE, the Recipient and the Association hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

- 1.01. The General Conditions (as defined in the Appendix to this Agreement) apply to and form part of this Agreement.
- 1.02. The Financial Management Framework Agreement (“FMFA”) (as defined in the Appendix to this Agreement) constitutes an integral part of this Agreement. Without limitation to the provisions of the FMFA, in respect to the Recipient, all and/or any references in the FMFA to the:
 - (a) “Letter Agreement(s)” shall be understood as references to this Agreement;
 - (b) “Trust Fund Grant(s)” shall be understood as references to the Financing referred to in Section 3.01 of this Agreement;
 - (c) “UN” and “UN Organization,” including a particular reference in Section 7 of the FMFA, shall be understood as reference to “United Nations Office for Project Services”;
 - (d) “UN Controller” shall be understood as reference to the “UNOPS Controller”;
 - (e) “UN Financial Regulations” shall be understood as reference to the “UNOPS Financial Regulations and Rules”; and
 - (f) “Parties” in section 11 of the FMFA shall be understood as reference to the “Association” and “United Nations Office for Project Services” or, alternatively, the “Association” on the one hand and the “United Nations Secretariat” and all “UN Organizations” (as that term is defined in the FMFA) on the other hand if a satisfactory consolidated review mechanism is established.
- 1.03. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in the Appendix to this Agreement.

ARTICLE II — FINANCING

- 2.01. The Association agrees to extend to the Recipient a grant, which is deemed as Concessional Financing for purposes of the General Conditions, in an amount equivalent to sixty-three million three hundred thousand Special Drawing Rights (SDR) (SDR 63,300,000) (“Financing”) to assist in financing the project described in Schedule 1 to this Agreement (“Project”).
- 2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section IV of Schedule 2 to this Agreement.

ARTICLE III — PROJECT

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

ARTICLE IV — REMEDIES OF THE ASSOCIATION

- 4.01. The Additional Events of Suspension consist of the following:
 - (a) if, by notice sent to the Recipient pursuant to sub-paragraph (iv) of paragraph 9 of the FMFA, the Association confirms that it reasonably believes the actions taken previously in accordance with said Section 9 have not been sufficient to fulfill its fiduciary obligations to ensure that the proceeds of the Financing were for eligible expenditures; or
 - (b) if, by notice sent to the Recipient pursuant to sub-paragraph (iii)(a)(1) of paragraph 10 of the FMFA, the Association confirms that alternative financial management arrangements mutually acceptable to the Association and the Recipient were not reached within the period stipulated therein; or
 - (c) if, the Association determines at any time that a reference in either paragraph 1 or paragraph 4 of Section II.B of Schedule 2 to this Agreement to the Recipient’s Financial Regulations and Rules is incomplete or inaccurate in any material respect; and/or
 - (d) if the Association for any reason revokes the application of the Alternative Procurement Arrangements set forth in Section III.1 of Schedule 2 to this Agreement.

ARTICLE V —TERMINATION

- 5.01 The Effectiveness Deadline is the date ninety (90) days after the Signature Date.
- 5.03. For purposes of Section 10.05 (b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty (20) years after the Signature Date.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

- 5.01. The Recipient's Representative is UNOPS Representative, Afghanistan.
- 5.02. For purposes of Section 11.01 of the General Conditions:

- (a) the Recipient's address is:

UNOCA Compound
Jalalabad Road
Kabul, Afghanistan; and

- (b) the Recipient's Electronic Address is:

E-mail:
nicholasg@unops.org

- 5.03. For purposes of Section 11.01 of the General Conditions:

- (a) the Association's address is:

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

- (b) the Association's Electronic Address is:

Telex: Facsimile:
248423 (MCI) 1-202-477-6391

AGREED as of the Signature Date.

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Melinda Good

Authorized Representative

Melinda Good

Name: _____

Country Director

Title: _____

22-May-2024

Date: _____

UNITED NATIONS OFFICE FOR PROJECT SERVICES

By

N. George

Authorized Representative

Nicholas George

Name: _____

Country Director and Representative

Title: _____

22-May-2024

Date: _____

SCHEDULE 1

Project Description

The objective of the Project is to provide short-term livelihood opportunities and deliver urgent essential services in rural and urban areas.

The Project consists of the following parts:

Part 1. Emergency Livelihoods Support and Services in Rural Areas

Supporting: (a) implementation of a cash-for-work program aimed at rehabilitating small-scale basic infrastructure services and generating income opportunities for ultra-poor and vulnerable households through, *inter alia*, provision of Cash for Work Grants, and equipment and material associated therewith; and (b) the selected NGO through a Sub-Grant to deliver basic services, including vested with the responsibility to extend Cash for Work Grants to Eligible Cash for Work Grant Beneficiaries, Social Grants, and carry out activities related to capacity building of CDCs and strengthening community resilience as well as disaster risk management.

Part 2. Emergency Livelihoods Support and Services in Urban Areas

Supporting activities designed to provide livelihood opportunities for unskilled and semi-skilled laborers, enhance community resilience to climate change and disasters, and respond to urgent service delivery needs in urban areas through the provision and implementation of small-scale labor-intensive works.

Part 3. Social Grants for Women and the Most Vulnerable in Rural and Urban Areas

- (a) Supporting provision of Social Grants in the form of food/grain banks support, livelihood activities, or Cash Transfers to Cash Transfer Beneficiaries.
- (b) Supporting women's economic livelihood activities through, *inter alia*, carrying out trainings on produce cultivation and food processing activities and provision of Social Grants in the form of production assets.

Part 4. Strengthening Community Institutions for Inclusive Service Delivery especially for Women

Providing assistance to build the capacity of CDCs and other local community institutions through: (a) supporting non-governmental organizations to carry out activities related to community mobilization, planning, implementation, monitoring and training; and (b) supporting CDCs and their sub-committees to

help women and vulnerable groups engage, receive information, and have access to services, including health, nutrition, and livelihoods assistance.

Part 5. Implementation Support

Supporting: (i) the Recipient's Indirect Costs; (ii) direct project management and supervision costs required to support the implementation of the project; (iii) project monitoring, evaluation, and coordination at the national and regional levels; (iv) development of Project-tailored management information system and geographic information system to promote transparency and accountability; and (v) establishment of a grievance redress mechanism.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements.

1. The Recipient shall carry out the Project with due diligence and efficiency in conformity with appropriate administrative, financial, technical, environmental, and social standards and practices and in accordance with the provisions of this Agreement, the FMFA, the Environmental and Social Commitment Plan (“ESCP”), and the Project Operations Manual and shall promptly provide the funds, facilities, services, and other resources required for the Project.
2. The Recipient shall maintain throughout the implementation period of the Project, the Project Implementation Unit (“PIU”), which shall be responsible for the day-to-day management and implementation of the Project, including the staffing of core functions, including *inter alia* technical, fiduciary (i.e., procurement and financial management), grievance redress, health and safety, social and environmental aspects of the Project, and coordination of local and regional activities, all as detailed in the Project Operational Manual.
3. Without any limitation to the provisions of Section I.A.2 above, the Recipient shall ensure that the PIU includes experts in adequate number, each with terms of reference, qualifications, and experience satisfactory to the Association, allocated to or recruited for the Project as and when their expertise will be needed in the views of the Association for the efficient coordination of the Project and the achievement of its development objectives.
4. Without limitation upon other provisions of this Agreement, the Recipient shall carry out supervision and monitoring of the Project in accordance with its own policies and procedures and shall share information related to said supervision and monitoring in the detail and frequency as the Association and Recipient shall agree in writing.

B. Project Operations Manual.

1. The Recipient shall:
 - (a) not later than one month after the Effective Date, update and thereafter maintain, throughout the implementation of the Project, the Project Operations Manual in form and with substance acceptable to the Association, containing, *inter alia*: (i) detailed description of the Project activities and institutional arrangements for their implementation, including allocation of responsibilities; (ii) monitoring, evaluation, financial,

reporting, internal controls, disbursement (flow of funds), and governance procedures for the Project, including but not limited to, eligibility criteria, selection, implementation procedures, review and validation of: (x) Cash for Work Grants and Cash for Work Beneficiaries under Part 1 of the Project; and (y) Social Grants and Social Grant Beneficiaries, including Cash Transfers and Cash Transfer Beneficiaries, under Part 3 of the Project; (iii) detailed process for the selection of the NGO, terms and conditions, and rationale for the provision of Sub-Grant to the selected NGO under Part 1 (b) of the Project; (iv) operational procedures and arrangements for monitoring compliance with Entry Criteria for Access; and (v) implementation of environmental and social instruments referred to in the ESCP; and

- (b) carry out the Project in accordance with the Project Operations Manual.
- 2. The Recipient shall not amend, suspend, or waive any provision of the Project Operations Manual without the prior written concurrence of the Association.
- 3. In the event of any inconsistency between the provisions of the Project Operations Manual and those of this Agreement, the provisions of this Agreement shall prevail.

C. Workplan and Budget

- 1. The Recipient shall, not later than forty-five (45) days after the Effective Date and thereafter, on March 31, of each year during the implementation of the Project, or such later date as the Association may agree in writing, prepare and furnish to the Association for its approval, the Work Plan and Budget, covering activities to be implemented under the Project for the subsequent twelve (12) months, a proposed financing plan for expenditures required for such activities, including a staffing plan, and a timetable for their implementation.
- 2. The Recipient shall afford the Association a reasonable opportunity to exchange views on such proposed Work Plan and Budget and thereafter ensure that the Project is implemented in accordance with such Work Plan and Budget as shall have been agreed to by the Recipient and the Association.
- 3. The Recipient may revise the Work Plan and Budget, as needed, with the prior written agreement of the Association.

D. Anti-Corruption

- 1. The Recipient shall carry out the Project subject to the provisions of the General Conditions and the following undertakings:

- (a) In the event that the Recipient or the Association becomes aware of information that indicates the need for further scrutiny of the implementation of the Project or any expenditures under the proceeds of the Financing (including non-frivolous allegations that corrupt, fraudulent, collusive or coercive practices were undertaken in relation to any activity under the Project), the Recipient or the Association, as the case may be, shall promptly bring such information to the attention of the appropriate official or officials of the other party, as designated from time to time by each party by written notice to the other party.
- (b) Without limitation to paragraph (a) above, concurrently with submission of a Project Report under Section II.A, the Recipient's Internal Audit and Investigations shall submit to the World Bank Group's Integrity Vice Presidency a statement confirming whether or not, during the reporting period of the Project Report, the Recipient has received any non-frivolous allegations referred to in paragraph (a) above, and a brief description of any such allegations received. The information provided in such statement shall be governed by the confidentiality procedures outlined in the memorandum of understanding between the Recipient and the World Bank Group dated September 2, 2019. The costs of preparing such reports will be borne by the Project.
- (c) Following consultation between the Recipient and the Association, the Recipient will, to the extent the information relates to actions within the authority or accountability of the Recipient, take timely and appropriate action in accordance with its accountability and oversight framework, including applicable regulations, rules, and administrative instructions, to investigate this information. For greater clarity on this matter, the Recipient and the Association agree and acknowledge that the Recipient has no authority over and accordingly shall have no responsibility to investigate, any government official or officials or consultants of the Association.
- (d) To the extent such investigation confirms the allegations and to the extent that remedial action is within the authority of the Recipient, the Recipient will take timely and appropriate action in response to the findings of such investigation, in accordance with the Recipient's accountability and oversight framework, including its regulations, rules, policies and procedures.
- (e) To the extent consistent with the Recipient's accountability and oversight framework, including its regulations, rules, policies, and procedures, it will keep the Association regularly informed by agreed means of actions taken pursuant to Section I.D.1(c) immediately above, and the results of the implementation of such actions, including where relevant, details of any recovery of funds or writing-off of losses. The Recipient will use its best efforts, consistent with its regulations, rules, policies, and procedures to recover any funds misused. The Recipient will, in consultation with the Association, credit any funds so recovered to the

Association or agree with the Association to use these funds for a purpose mutually agreed upon.

2. In the event that the Association reasonably believes that timely and appropriate action has not been taken by the Recipient under Section I.D.1 above, the Association may request direct consultations at a senior level between the Association and the Recipient in order to obtain assurances that the Recipient's oversight and accountability mechanisms have been and are being fully applied in connection with such allegations. The Recipient and the Association take note of the relevant provisions of the United Nations Financial Regulations and Rules and the Recipient's corresponding relevant provisions in its Financial Regulations and Rules.
3. The Association may, following consultation with the Recipient, by notice to the Recipient, suspend the right of the Recipient to make further withdrawals of the proceeds of the Financing if the Association reasonably believes the actions taken by the Recipient under Section I.D.1 above have not been sufficient to fulfill its fiduciary obligation with respect to the Financing.
4. The Association has the right and authority, pursuant to the Anti-Corruption Guidelines, to investigate allegations or other information relating to possible corrupt, fraudulent, coercive, or collusive practices (as defined in Section I.D.7 below) by any third party, and to sanction any such third party which the Association has determined to have engaged in such practices; provided, however, that in this Section, "third party" does not include the Recipient. To the extent consistent with the Recipient's oversight framework, including its regulations, rules, policies, and procedures, and if requested by the Association, the Recipient shall cooperate with the Association in the conduct of such investigations.
5. Without limitation to the provisions of paragraph D.1 of this Section, the Association retains the right to conduct an investigation in connection with the information referred to in paragraph D.1(a) of this Section and any information provided to the Recipient regarding allegations of corrupt, fraudulent, coercive, or collusive practice in connection with the bidding process, the award, or implementation of any contract to be or being financed out of the proceeds of the Financing, except that the Association may not investigate the Recipient or other United Nations agency. In all such investigations, the Recipient agrees to facilitate such investigations.
6. (a) The Recipient will require any third-party commercial entity with which it has a long-term arrangement or to which it intends to issue a purchase order, or a contract financed with the proceeds of the Financing to disclose to the Recipient whether it is subject to any sanction or temporary suspension imposed by any organization within the World Bank Group. The Recipient will give due regard to such sanctions and temporary

suspensions, as disclosed to it when issuing contracts during the Project implementation.

- (b) If the Recipient intends to issue a contract in connection with the Project with a party that has disclosed to the Recipient that it is under sanction or temporary suspension by the World Bank Group, the following procedure will apply: (i) the Recipient will so inform the Association, before signing such contract; (ii) the Association then may request direct consultations at a senior level, if required, between the Association and the Recipient to discuss the Recipient's decision; and (iii) if after such consultation, the Recipient elects to proceed with the issuance of the contract, the Association may inform the Recipient by notice, that the proceeds of the Financing may not be used to fund such contract.
- (c) Any portion of the proceeds of the Financing received by the Recipient under this Agreement that may have been used to fund a contract in respect of which the World Bank Group has exercised its right under paragraph 6(b)(iii) immediately above, shall be used to defray the amounts requested by the Recipient in any subsequent Withdrawal Application, if any, or will be treated as a balance in favor of the Recipient in the calculation of the final balances prior to the Closing Date.

7. For the purposes of the provisions of this Section I.D, the following definitions of sanctionable practices shall apply:

- (a) "corrupt practice" is the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party;
- (b) "fraudulent practice" is any act or omission, including misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain financial or other benefit or to avoid an obligation;
- (c) "collusive practice" is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party; and
- (d) "coercive practice" is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party.

E. Environmental and Social Standards

1. The Recipient shall ensure that the Project is carried out in accordance with the Environmental and Social Standards, in a manner acceptable to the Association.

2. Without limitation upon paragraph 1 above, the Recipient shall ensure that the Project is implemented in accordance with the Environmental and Social Commitment Plan (“ESCP”), in a manner acceptable to the Association. To this end, the Recipient shall ensure that:
 - (a) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, as provided in the ESCP;
 - (b) sufficient funds from the Financing are available to cover the costs of implementing the ESCP;
 - (c) policies and procedures are maintained, and qualified and experienced staff in adequate numbers are retained to implement the ESCP, as provided in the ESCP; and
 - (d) the ESCP, or any provision thereof, is not amended, repealed, suspended, or waived, except as the Association shall otherwise agree in writing, as specified in the ESCP, and ensure that the revised ESCP is disclosed promptly thereafter.
3. In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.
4. The Recipient shall ensure that:
 - (a) all measures necessary are taken to collect, compile, and furnish to the Association through regular reports, with the frequency specified in the ESCP, and promptly in a separate report or reports, if so requested by the Association, information on the status of compliance with the ESCP and the environmental and social instruments referred to therein, all such reports in form and substance acceptable to the Association, setting out, inter alia: (i) the status of implementation of the ESCP; (ii) conditions, if any, which interfere or threaten to interfere with the implementation of the ESCP; and (iii) corrective and preventive measures taken or required to be taken to address such conditions; and
 - (b) the Association is promptly notified of any incident or accident related to or having an impact on the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, in accordance with the ESCP, the environmental and social instruments referenced therein and the Environmental and Social Standards.
5. The Recipient shall establish, publicize, maintain, and operate an accessible grievance mechanism, to receive and facilitate resolution of concerns and

grievances of Project-affected people, and take all measures necessary and appropriate to resolve, or facilitate the resolution of, such concerns and grievances, in a manner acceptable to the Association.

6. The Recipient shall ensure that all bidding documents and contracts for civil works under the Project include the obligation of contractors, subcontractors, and supervising entities to: (a) comply with the relevant aspects of ESCP and the environmental and social instruments referred to therein; and (b) adopt and enforce codes of conduct that should be provided to and signed by all workers, detailing measures to address environmental, social, health and safety risks, and the risks of sexual exploitation and abuse, sexual harassment and violence against children, all as applicable to such civil works commissioned or carried out pursuant to said contracts.

F. Sub-Grant.

1. No later than June 15, 2024, or any other date as agreed in writing between the Association and the Recipient, for the purpose of implementation of Part 1 (b) of the Project, the Recipient shall amend and extend the Sub-grant Agreement with the NGO in accordance with the eligibility criteria, procedures, and terms and conditions set forth in the POM.
2. The Recipient shall exercise its rights under the Sub-Grant Agreement in such a manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing. Except as expressly agreed by the Association, the Recipient shall not assign, amend, abrogate, or waive the Sub-Grant Agreement or any of its provisions.”

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

1. The Recipient shall furnish to the Association each Project Report not later than forty-five (45) days after the end of each calendar fourth months, covering the calendar four months. The Recipient shall ensure that each Project Report contains, among others, any update on the implementation of the activities under the Procurement Plan.
2. Except as may otherwise be explicitly required or permitted under this Agreement or as may be explicitly requested by the Association, in sharing any information, report or document related to the activities described in Schedule 1 of this Agreement, the Recipient shall ensure that such information, report or document does not include Personal Data.

B. Financial Management; Financial Reports; Audits

1. The Recipient shall maintain or cause to be maintained a financial management system, including records and accounts, adequate to reflect the transactions related to the Project, in accordance with the applicable policies, procedure, and guidance provided in the Financial Regulations and Rules. In accordance with Article 10 of FMFA, the Recipient shall notify the Association of any changes to these Financial Regulations and Rules that occur after the signing of this Agreement within thirty (30) days of their effective date and shall make them available via the Recipient's external website.
2. The Recipient shall maintain records ("Ledger Account") and accounts that provide a complete, true, and faithful record of all the expenditures from the proceeds of the Financing and of all the expenditures paid from such proceeds, in a manner that allows for the clear and separate identification of activities financed by the Association.
3. The Recipient will prepare periodic financial statements in accordance with its Financial Regulations and Rules and accounting standards acceptable to the Association. The financial statements will be submitted to the Association in accordance with the provisions of Section II. Financial Reports and Audits of the Disbursement and Financial Information Letter referred to in Section IV.A of this Schedule.
4. The Recipient shall ensure that the audit of the Project is: (a) carried out pursuant to the Financial Regulation and Rules, and (b) governed by the Financial Management Framework Agreement. In addition, if agreed by the Recipient and the Association, the Recipient will carry out any additional due diligence activities as agreed by the Recipient and the Association in separate terms of reference.

Section III. Procurement

1. All goods, works, non-consulting services and consulting services required for the Project and to be financed out of the proceeds of the Financing shall:
 - (a) be procured in accordance with the applicable procurement policies, procedures, regulations, and practices of the Recipient, as such procurement policies, procedures, regulations, and practices have been assessed and found to be acceptable by the Financing, and the Procurement Plan; and
 - (b) not commence to be procured until a Procurement Plan, including any applicable update thereto, has been furnished to, and deemed acceptable by the Financing in accordance with paragraph 2 of this Section.

2. Within thirty (30) days from the Effective Date, the Recipient shall prepare and furnish to the Association for review a procurement plan, prepared in accordance with terms of reference satisfactory to the Association, and thereafter, implement the Project in accordance with such procurement plan as shall have been deemed acceptable by the Association (“Procurement Plan”). If any update is necessary to the Procurement Plan, the Recipient shall prepare and furnish to the Association for review such updated procurement plan.
3. If the Association determines that the procurement policies, procedures, regulations, or practices of the Recipient have been modified, suspended, or waived in such a manner that they are no longer acceptable to the Association, the Association may, in addition to the Association’s rights under the Agreement, revoke the procurement provisions set out in paragraph 1 of this Section III.

Section IV. Withdrawal of the Proceeds of the Financing

A. General

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

Category	Amount of the Financing Allocated (expressed in SDR)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, works, non-consulting services, consulting services, Cash for Work Grants, Social Grants, Training, and Operating Costs under the Project	62,058,824	100%
(2) Indirect Costs (2%) under Part 5 of the Project	1,241,176	100%
TOTAL AMOUNT	63,300,000	

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section no withdrawal shall be made:
 - (a) for payments made prior to the Signature Date; or
 - (b) for the purpose of any payment to persons or entities, or for any import of goods, if such payment or import, to the Association's knowledge, is prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations.
2. Without prejudice to any other provision of this Agreement, the Recipient further undertakes that no Financing proceeds or resources may be used for law-enforcement, security, military, or paramilitary purposes or for any payments made to any law-enforcement, security, military, or paramilitary forces without the Association's express approval.
3. All withdrawals shall be made on the basis of the interim unaudited financial report referred to in Section II.B.3 of this Schedule and under such other terms and conditions as the Association shall specify by notice to the Recipient contained in the Disbursement and Financial Information Letter addressed or to be addressed by the Association to the Recipient for purpose of the Financing.
4. Without prejudice to the provisions of Section 8.07 of the General Conditions, in the event that the Association requests a refund of any portion of the proceeds of the Financing that has been used in a manner inconsistent with the provisions of this Agreement, the Association and the Recipient will adopt the procedures set forth in paragraph 9 of the FMFA.
5. It is understood that the Recipient shall not be responsible for and shall have no obligation to initiate or continue implementation of the pertinent activities under the Project unless the proceeds of the Financing allocated to such activities have been made available to the Recipient.
6. The Closing Date is December 31, 2025.

Section V. Other Undertakings

1. In undertaking its obligations under the Project and this Agreement, the Recipient shall observe the following:
 - (a) The Recipient shall process Personal Data in a fair manner, in accordance with its mandate, policies, and governing instruments and on the basis of the following: (i) the consent of the individual affected; and (ii) the best interests of the individual affected.

- (b) The Recipient shall also ensure that Personal Data:
 - (i) shall be processed only for purposes specified in the Project, taking into account the balancing of relevant rights, freedoms, and interests of individuals. Personal Data shall not be processed in ways that are incompatible with such purposes;
 - (ii) shall, when processed, be confined to that which is relevant, limited and adequate to what is necessary in relation to the purposes specified above for Personal Data processing;
 - (iii) shall only be retained for the time that is necessary to achieve the purposes specified above;
 - (iv) shall be accurate and, where necessary, up to date to fulfill the specified purposes; and
 - (v) shall be processed with due regard to confidentiality.
- (c) The Recipient shall adopt appropriate organizational, administrative, physical, and technical safeguards and procedures in order to protect the security of Personal Data, including against or from misuse, unauthorized or accidental access, damage, loss, or other risks presented by data handover, processing or transfer.
- (d) The Recipient shall process Personal Data with transparency to individuals, as appropriate and whenever possible, including, for example, provision of information about the processing of their Personal Data as well as information on how to request access, verification, rectification, and/or deletion of that Personal Data, insofar as the specified purpose for which Personal Data is processed is not frustrated.
- (e) The Recipient may only transfer Personal Data to a third party if, under the circumstances, it is satisfied that the third party affords protection for the Personal Data on terms no less favorable than the Recipient does under this Project.
- (f) The Recipient shall establish policies and mechanisms in place to adhere to the foregoing.

APPENDIX

Section I. Definitions

1. “Alternative Procurement Arrangements” means the procurement arrangements set forth in Section III of Schedule 2 to this Agreement, as permitted by the Association’s Procurement Regulations for IPF Borrowers, dated September 2023.
2. “Anti-Corruption Guidelines” means, for purposes of paragraph 5 of the Appendix to the General Conditions, the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006, and revised in January 2011 and as of July 1, 2016.
3. “Cash for Work Grant” means a cash for work grant to be provided to a Cash for Work Grant Beneficiary under Part 1 of the Project in accordance with the eligibility criteria and procedures set out in the POM; and “Cash for Work Grants” means, collectively, all such cash grants.
4. “Cash for Work Grant Beneficiary” means any person selected in accordance with the eligibility criteria and procedures set out in the POM to receive a Cash for Work Grant under Part 1 of the Project; and “Cash for Work Beneficiaries” means all such selected persons.
5. “Cash Transfer” means a cash transfer to be provided to a Cash Transfer Beneficiary under Part 3 of the Project in accordance with the eligibility criteria and procedures set out in the POM; and “Cash Transfers” means, collectively, all such cash transfers.
6. “Cash Transfers Beneficiary” means any household or person selected in accordance with the eligibility criteria and procedures set out in the POM to receive a Cash Transfer under Part 3 of the Project; and “Cash Transfer Beneficiaries” means all such selected households and persons.
7. “CDC” means any community development council.
8. “Category” means a category set forth in the table in Section IV.A of Schedule 2 to this Agreement.
9. “Entry Criteria for Access” means the criteria required to have been met for the purpose of the Project to ensure that: (i) established CDCs in the project areas are not prohibited to operate; and (ii) women’s involvement continues in established CDCs, as such criteria are further set out in the Project Operations Manual.

10. “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated March 19, 2024, as the same may be amended from time to time in accordance with the provisions thereof, which sets out the material measures and actions that the Recipient shall carry out or cause to be carried out to address the potential environmental and social risks and impacts of the Project, including the timeframes of the actions and measures, institutional, staffing, training, monitoring and reporting arrangements, and any environmental and social instruments to be prepared thereunder.
11. “Environmental and Social Standards” or “ESSs” means, collectively: (i) “Environmental and Social Standard 1: Assessment and Management of Environmental and Social Risks and Impacts”; (ii) “Environmental and Social Standard 2: Labor and Working Conditions”; (iii) “Environmental and Social Standard 3: Resource Efficiency and Pollution Prevention and Management”; (iv) “Environmental and Social Standard 4: Community Health and Safety”; (v) “Environmental and Social Standard 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement”; (vi) “Environmental and Social Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources”; (vii) “Environmental and Social Standard 7: Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities”; (viii) “Environmental and Social Standard 8: Cultural Heritage”; (ix) “Environmental and Social Standard 9: Financial Intermediaries”; and (x) “Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure”; effective on October 1, 2018, as published by the Association.
12. “Financial Management Framework Agreement” or “FMFA” means the Financial Management Framework Agreement between the World Bank and the UNOPS, dated October 20, 2008. For purposes of the FMFA, the World Bank means the Association and the International Bank for Reconstruction and Development.
13. “Financial Regulations and Rules” means the financial regulations and rules of the Recipient.
14. “General Conditions” means the “International Development Association General Conditions for IDA Financing, Investment Project Financing”, dated December 14, 2018 (Last revised on July 15, 2023), with the modifications set forth in Section II of this Appendix.
15. “Grant Agreement” means the grant agreement for the Project between the Recipient and the Association dated February 02, 2024, as such grant agreement may be amended from time to time. “Grant Agreement” includes all appendices, schedules, and agreements supplemental to the Grant Agreement.

16. “Indirect Costs” means the indirect costs incurred by the Recipient as a function and in support of the Project, which cannot be traced unequivocally to the deliverables and technical output of the Project, and which is up to two (2) % of amount allocated to Category 1 of the total Financing received by the Recipient.
17. “NGO” means a non-governmental organization engaged by the Recipient pursuant to Section I.F of Schedule 2 to the Financing Agreement.
18. “Operating Costs” means the reasonable incremental costs incurred on account of the implementation, management and monitoring of the Project, including office supplies, office space rental, equipment maintenance and repair, vehicle operation and maintenance, utilities, communication charges, mass media and printing services, translation, and interpretation charges, bank charges, charges for transporting cash into the country, travel and lodging allowances, per diems, incremental salaries of contracted employees, but excluding salaries and allowances of the Member Country’s civil service.
19. “Personal Data” mean any information relating to an identified or identifiable individual. An identifiable individual is one who can be identified by reasonable means, directly or indirectly, by reference to an attribute or combination of attributes within the data, or combination of the data with other information. Attributes that can be used to identify an identifiable individual include, but are not limited to, name, identification number, location data, online identifier, metadata, and factors specific to the physical, physiological, genetic, mental, economic, cultural, or social identify of an individual.
20. “Procurement Regulations” means, for purposes of paragraph 85 of the Appendix to the General Conditions, the “World Bank Procurement Regulations for IPF Borrowers”, dated September 2023.
21. “Project Operations Manual” means the manual adopted by the Recipient pursuant to Section I.B.1 of Schedule 2 to this Agreement, setting forth detailed arrangements and procedures for the implementation of the Project as the same manual may be amended from time to time with written prior approval of the Association.
22. “Social Grant” means a social grant to be provided to a Social Grant Beneficiary under Part 3 of the Project in support of women and the most vulnerable in rural and urban areas, in accordance with the eligibility criteria and procedures set out in the POM; and “Social Grants” means, collectively, all such social grants.
23. “Social Grant Beneficiary” means any person or entity selected in accordance with the eligibility criteria and procedures set out in the POM to receive a Social Grant under Part 3 of the Project; and “Social Grant Beneficiaries” means, collectively, all such grant beneficiaries.

24. “Signature Date” means the later of the two dates on which the Recipient and the Association signed this Agreement and such definition applies to all references to “the date of the Financing Agreement” in the General Conditions.
25. “Sub-Grant Agreement” means an agreement for the Sub-Grant referred to in Section I.F of Schedule 2 to this Agreement.
26. “Sub-Grant” means a grant awarded to the NGO by the Recipient, from the proceeds of the Financing, on account of activities to be implemented under Part 1 (b) of the Project, in accordance with the eligibility criteria, terms and conditions, and procedures set out in the POM.
27. “Training” means the costs associated with training of personnel, supervisors, and managers involved in activities under the Project, based on the Work Plan and Budget, such terms including seminars, workshops, and associated travel and subsistence costs for training participants, costs associated with securing the services of trainers, rental of training facilities, preparation and reproduction of training materials, and other costs directly related to training preparation and implementation of the training.
28. “Work Plan and Budget” means each work plan and budget for the Project prepared by the Recipient and approved by the Association pursuant to Section I.C of Schedule 2 to this Agreement.
29. “World Bank Group” means the Association, the International Bank for Reconstruction and Development, the International Finance Corporation, the International Centre for the Settlement of Disputes, and the Multilateral Investment Guarantee Agency.

Section II. Modifications to the General Conditions

The General Conditions are hereby modified as follows:

1. Section 2.06 (*Financing Taxes*) is amended by replacing the phrase “levied by, or in the territory of the Recipient” with the phrase “levied by, or in the territory of the Member Country.”
2. The following sections in Article III are deleted in their entirety and the remaining sections in Article III are renumbered accordingly, and all references to the Sections of Article III in any provision of the General Conditions are understood to refer to such renumbered Sections:
 - (a) Section 3.02 (*Commitment Charge*).
 - (b) Section 3.14 (*Place of Payment*)
 - (c) Section 3.15 (*Currency of Payment*)

- (d) Section 3.16 (*Amount of Repayment*)
 - (e) Section 3.18 (*Manner of Payment*)
 - (f) Section 3.19 (*Temporary Currency Substitution*)
3. The following sections in Article V are deleted in their entirety and the remaining sections of Article V are renumbered accordingly, and all references to the Sections of Article V in any provision of the General Conditions are understood to refer to such renumbered Sections:
- (a) Section 5.07 (*Plans; Documents; Records*)
 - (b) Section 5.09 (*Financial Management; Financial Statements; Audits*)
 - (c) Section 5.13 (*Procurement*)
 - (d) Section 5.14 (*Anti-Corruption*)
4. Paragraphs 5 (“*Anti-Corruption Guidelines*”), 17 (“*Commitment Charge*”), 54 (“*Financial Statements*”), 76 (“*Maximum Commitment Charge Rate*”), and 85 (“*Procurement Regulations*”) in the Appendix are deleted in their entirety and the subsequent paragraphs are renumbered accordingly.
5. Paragraph 77 (“*Member Country*”) in the Appendix, as renumbered pursuant to paragraph 11 immediately above, is modified to read in full as follows:
- “77. “Member Country” means the member of the Association in whose territory the Project is carried out or any such member’s political or administrative subdivisions.”