
LOAN NUMBER 9584-BR

Loan Agreement

(Pró-Gestão Tocantins: Public Sector Management Efficiency Project)
(Programa de Sustentabilidade Fiscal, Eficiência e Eficácia do Gasto Público do Estado do Tocantins)

between

**INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT**

and

STATE OF TOCANTINS

LOAN AGREEMENT

AGREEMENT dated as of the Signature Date between INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (“Bank”) and STATE OF TOCANTINS (“Borrower”). The Bank and the Borrower 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. 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 — LOAN

- 2.01. The Bank agrees to lend to the Borrower the amount of fifty million Dollars (USD 50,000,000), as such amount may be converted from time to time through a Currency Conversion (“Loan”), to assist in financing the project described in Schedule 1 to this Agreement (“Project”).
- 2.02. The Borrower may withdraw the proceeds of the Loan in accordance with Section III of Schedule 2 to this Agreement. The Borrower’s Representative for purposes of taking any action required or permitted to be taken pursuant to this Section is the Secretary in charge of SEPLAN, or any person or persons whom he/she shall designate.
- 2.03. The Front-end Fee is one quarter of one percent (0.25%) of the Loan amount.
- 2.04. The Commitment Charge is one quarter of one percent (0.25%) per annum on the Unwithdrawn Loan Balance.
- 2.05. The interest rate is the Reference Rate plus the Variable Spread or such rate as may apply following a Conversion; subject to Section 3.02(e) of the General Conditions.
- 2.06. The Payment Dates are April 15 and October 15 in each year.
- 2.07. The principal amount of the Loan shall be repaid in accordance with Schedule 3 to this Agreement.
- 2.08. The Borrower may request the Conversions of Loan terms, in each case with the prior no-objection of the Guarantor, through its Secretariat of the National Treasury of the Guarantor’s Ministry of Finance.

ARTICLE III — PROJECT

- 3.01. The Borrower declares its commitment to the objective of the Project. To this end, the Borrower shall, under the overall management and coordination of SEPLAN, carry out the Project through:
- (i) SECAD for Parts 1(a) and 1(e) of the Project;
 - (ii) IGEPREV for Part 1(b) of the Project;
 - (iii) SEFAZ for Part 1(c) of the Project;
 - (iv) SEPLAN for Parts 1(d) and 3 of the Project;
 - (v) SES for Part 2(a) of the Project;
 - (vi) SEDUC for Part 2(b) of the Project; and
 - (vii) SETAS for Part 2(c) of the Project;

all in accordance with the provisions of Article V of the General Conditions, Schedule 2 to this Agreement and the Implementation Agreement.

ARTICLE IV — REMEDIES OF THE BANK

- 4.01. The Additional Event of Suspension consists of the following, namely that IGEPREV shall have failed to perform any of its obligations under the Implementation Agreement so as to affect materially and adversely, in the opinion of the Bank, the ability of the Borrower to perform any of its obligations under this Agreement.
- 4.02. The Additional Event of Acceleration consists of the following, namely that the event specified in Section 4.01 of this Agreement occurs and is continuing for a period of ninety (90) days after notice of the event has been given by the Bank to the Borrower and Guarantor.

ARTICLE V — EFFECTIVENESS; TERMINATION

- 5.01. The Additional Conditions of Effectiveness consist of the following:
- (a) that the Project Operations Manual has been adopted in form and substance satisfactory to the Bank; and
 - (b) that the Borrower has issued a decree, in form and substance satisfactory to the Bank, setting out the respective responsibilities in Project implementation of the Implementing Secretariats and IGEPREV and establishing the PMU.
- 5.02. The Effectiveness Deadline is the date one hundred twenty (120) days after the Signature Date.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

- 6.01. The Borrower's Representative is its Governor.
- 6.02. For purposes of Section 10.01 of the General Conditions:

(a) the Borrower's address is:

Secretaria do Planejamento e Orçamento - SEPLAN
Praça dos Girassóis, S/nº, Palmas, Tocantins
CEP: 77001002
Brazil; and

(b) the Borrower's Electronic Address is:

E-mail:

gbseplan@gmail.com

sergislei@gmail.com

With copy to:

mauricioprogestao@gmail.com

cofiex@economia.gov.br

gecod.codiv.df.stn@tesouro.gov.br

6.03. For purposes of Section 10.01 of the General Conditions:

(a) the Bank's address is:

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

(b) the Bank's Electronic Address is:

E-mail: jzutt@worldbank.org

With copy to:

E-mail: informacao@worldbank.org

AGREED as of the Signature Date.

STATE OF TOCANTINS

By

Wanderlei Barbosa

Authorized Representative

Name: wanderlei Barbosa

Title: Governador do Estado do Tocantins

Date: 27-mai-2024

**INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT**

By

JZ

Authorized Representative

Name: Johannes Zutt

Title: Country Director

Date: 16-May-2024

SCHEDULE 1

Project Description

The objective of the Project is to improve efficiency in public resource management in selected Departments of the Borrower.

The Project consists of the following parts:

Part 1. Whole-of-Government Management Systems

- a) *Human Resource Management.* Improving the Borrower's efficiency in human resource management through, *inter alia*: (i) carrying out a technical assistance program for the strategic right-sizing of the workforce of selected agencies and departments; (ii) implementing a personnel management platform, including dynamic distribution of the workforce, replacement alarms, and automated official documentation of reallocations; (iii) developing and implementing a management analytics and artificial intelligence system for automated payroll audit to reduce errors and fraud; (iv) designing and implementing new functionalities to the Borrower's human resource management information system (HRMIS), including medical forensics, frequency control, documentation management, public officials portal, performance and development, probationary phase, job opening control, and training to public officials; (v) automating human resources management services and other processes identified through the strategic workforce planning referred to in (i) above; (vi) redesigning and implementing human resource services and frameworks based on the strategic workforce planning referred to in (i) above; (vii) implementing periodic staff surveys to assess reform implementation and support change management; (viii) carrying out communications and capacity building activities to support the rollout and implementation of the above mentioned activities; (ix) virtualization of functional documents to support the implementation of HRMIS functionalities; and (x) procuring efficient hardware to support the rollout and implementation of the above-mentioned activities.

- b) *Pensions Management.* Improving the Borrower's efficiency in pensions management through, *inter alia*: (i) designing and implementing a pension management information system functionalities that support auditing the pension payroll and unifying management of benefit concession for all branches of government based on remuneration history and verification of actual contribution payments; (ii) expanding and updating the pension record management information system to increase efficiency and enable operational, actuarial, and financial analyses to reduce costs and allow for better long term financial planning; (iii) procuring efficient hardware to support the deployment of these systems, and (iv) carrying out capacity building to support the implementation of these systems and management tools.

- c) *Public Procurement.* Improving the Borrower's efficiency in public procurement through, *inter alia*: (i) developing a procurement strategy and an implementation plan to help embed procurement efficiency across the Borrower's purchases; (ii) developing, improving and implementing an integrated system for

- e-procurement, including the redesign and automation of key processes, flows of budgetary and financial control, and reviewing the regulatory framework and institutional arrangements; (iii) applying artificial intelligence using electronic invoices to identify and reduce fraud and corrupt practices; (iv) designing and implementing strategic sourcing methodology to help identify demand for goods and services across the government; (v) carrying out a capacity building program for officials working in procurement across the Borrower's territory; and (vi) procuring efficient hardware to support the deployment of the above-mentioned activities.
- d) *Public Investment Management and Budgeting.* Improving the Borrower's efficiency in public investment management and budgeting through, *inter alia*: (i) developing and implementing a public investment management system integrating project preparation, screening and appraisal; (ii) preparing a portfolio of technically appraised, implementation-ready projects; (iii) designing and implementing a governance strategy to manage project portfolio execution; (iv) designing and implementing a methodology and support plan that considers the lifecycle of project investments, focusing on the maintenance of infrastructure projects after the execution; (v) designing and implementing improved budgeting systems and practices; (vi) improving the management system for the transfer of resources from the Borrower to municipalities and non-governmental organizations, allowing for digital monitoring of project preparation, implementation and accounting, and integrated to the budget and financial system; (vii) customizing the debt management information system; (viii) carrying out capacity building for the Borrower's officials on efficient public investment and expenditure management practices, to support the rollout and implementation of the above-mentioned activities; (ix) carrying out periodic staff surveys to assess reform implementation and support change management; and (x) procuring hardware to support the rollout and implementation of the above-mentioned activities.
- e) *Asset Management.* Improving the Borrower's efficiency in asset management through, *inter alia*: (i) providing technical support to assess up-to-date information of real estate properties, including geospatial data, area, occupation rate, valuations and registry's status; (ii) developing and implementing modules in the public asset management system that include information for decision making on real estate properties and fleet management; (iii) development and implementation of a system for mapping costs of information and communication technologies, including identification of synergies between government-to-government systems, interoperability, and a governance strategy for new acquisitions and maintenance; (iv) capacity building on asset management practices and support the rollout and implementation of above mentioned activities; (v) procuring efficient hardware to support the rollout and implementation of the above mentioned activities; and (vi) improving server storage to guarantee enough space for information technology tools and systems implemented under the Project.

Part 2. Management Systems in Strategic Sectors

- a) *Health.* Improving the efficiency of the Borrower's health management system through, *inter alia*: (i) developing and implementing an expenditure review to identify cost structure and assess budgeting practices in the Borrower's public health units; (ii) implementing a financial management information system to support budgeting and expenditure

management in the state's health units, develop electronic cost-accounting and auditing systems, increase the participation of referral and regional hospitals in local and regional health networks, and improve fiduciary processes; (iii) introducing communication and capacity-building activities to support the rollout and implementation of the above mentioned activities, including training activities for managers and professionals from strategic sectors of the hospitals; and (iv) procuring efficient hardware to support the rollout and implementation of the above mentioned activities.

- b) *Education.* Improving the Borrower's efficiency in education management through, *inter alia*: (i) carrying out a cost-benefit analysis on school transportation models and school meal procurement procedures, disaggregated by regions, to support the decision-making regarding the system's functionalities and scope; (ii) developing and implementing information technology systems to improve management of resources transferred by the Guarantor; (iii) designing and implementing an integrated financial management system for students transportation; (iv) designing and implementing an integrated financial management system for school meals; and (v) carrying out capacity building activities to support the rollout and implementation of the above mentioned tools.
- c) *Social Assistance.* Improving the Borrower's social assistance system through, *inter alia*: (i) designing and implementing a financial management information system for social assistance co-financing to support management of social assistance transferred funds to one hundred thirty-nine (139) municipalities; (ii) providing support to remodel the business processes at SETAS' level to increase efficiency and enable operational and financial analysis, higher quality and integration of data, reduced redundance of information and streamlined processes for improving the monitoring and evaluation of the use of financial resources; (iii) carrying out of communication and capacity-building to support the implementation of this new system and management tools; and (iv) procuring hardware to support the rollout and implementation of the abovementioned activities.

Part 3. Project and Change Management

- a) *Project Management.* Provision of Project management support through, *inter alia*: (i) strengthening the Borrower's procurement, financial management and environmental and social standards capacity; (ii) developing and implementing a grievance redress mechanism and management information system, in coordination with the Comptroller General (CGE); and (iii) carrying out of communications and capacity building activities to support Project management functions.
- b) *Change Management.* Provision of technical assistance for change management through, *inter alia*: (i) developing a transversal change management plan and strategy for all parts of the Project encompassing incentives, processes and skills; (ii) carrying out consulting services, studies and surveys to support Project implementation; (iii) carrying out process reviews before information systems are developed; (iv) just-in-time support, as needed and as agreed with the Bank, including advisory services to the Borrower's Attorney General's Office (*Procuradoria*) and technical teams during implementation, and knowledge exchange activities; and (v) carrying out communications and capacity building to support the rollout and implementation of the above mentioned activities.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. The Borrower shall:
 - (a) through SEPLAN be responsible for the overall management, coordination and oversight of the Project, including the Project's administrative, procurement, environmental and social requirements, disbursement, financial management and monitoring and evaluation responsibilities, as set forth in the Project Operations Manual ("POM");
 - (b) establish and thereafter maintain, throughout Project implementation:
 - (i) a Project Management Unit ("PMU") in SEPLAN; and
 - (ii) not later than thirty (30) days after the Effective Date, Project Implementation Units ("PIUs") in each of the Implementing Secretariats and IGEPREV;

all with staffing, functions and responsibilities acceptable to the Bank, for the implementation of the Project, as set forth in the POM;
 - (c) without limitation to the provisions of paragraph (b) of this Section I.A.1, and not later than sixty (60) days after the Effective Date, complete the staffing of the PMU and PIUs as set forth in the POM; and
 - (d) not later than sixty (60) days after the Effective Date:
 - (i) establish and thereafter maintain throughout Project implementation a Steering Committee chaired by SEPLAN, an advisory body responsible for the Project oversight, strategic guidance, and coordination, with composition, functions and responsibilities set forth in the POM and acceptable to the Bank; and
 - (ii) appoint all members of the Steering Committee.
2. Except as the Bank shall otherwise agree, the Borrower shall not amend, abrogate, suspend, repeal, waive, or fail to enforce any provision under the decree mentioned in paragraph (b) of Section 5.01 of this Agreement.
3. The Borrower shall:
 - (a) not later than thirty (30) days after the Effective Date, enter into an agreement with IGEPREV (the "Implementation Agreement"), under terms and conditions

acceptable to the Bank, setting forth, *inter alia*, the obligation of IGEPREV to: (i) carry out Part 1(b) of the Project; and (ii) comply with the pertinent provisions of this Agreement, including complying with the provisions of the Project Operations Manual and the Anti-Corruption Guidelines;

- (b) exercise its rights and carry out its obligations under the Implementation Agreement in such manner as to protect the interests of the Borrower and the Bank and to accomplish the purposes of the Loan; and
- (c) except as the Bank shall otherwise agree in writing, the Borrower shall not assign, amend, abrogate, waive or fail to enforce the Implementation Agreement, or any of their provisions, or permit to be assigned, amended, abrogated, or waived, the aforementioned, or any provision thereof.

B. Project Operations Manual

1. The Borrower shall carry out the Project in accordance with a Project Operations Manual containing detailed guidelines and procedures for the implementation of the Project, including *inter alia*:

- (a) a detailed description of the activities and institutional arrangements for the Project;
- (b) the Project administrative, accounting, auditing, reporting, financial, procurement and disbursement procedures;
- (c) the monitoring indicators for the Project;
- (d) the composition and functions of the Steering Committee;
- (e) a detailed description of the mechanisms and systems for Personal Data collection and processing in accordance with international standards and good international practice;
- (f) any other arrangements and procedures as shall be required for the effective implementation of the Project; and
- (g) a copy of the Pró-Gestão ROP,

all in form and substance satisfactory to the Bank, as such manual may be amended by the Borrower from time to time, with the prior written approval of the Bank.

- 2. Except as the Bank may otherwise agree in writing, the Borrower shall not amend, waive, or fail to enforce any provision of the Project Operations Manual without the Bank's prior written approval.
- 3. In case of any conflict between the terms of the Project Operations Manual and those of this Agreement, the terms of this Agreement shall prevail.

C. Environmental and Social Standards.

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

Section II. Project Monitoring Reporting and Evaluation

The Borrower shall furnish to the Bank each Project Report not later than sixty (60) days after the end of each calendar semester, covering the calendar semester, as further detailed in the Project Operations Manual.

Section III. Withdrawal of Loan Proceeds

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 Borrower may withdraw the proceeds of the Loan to: (a) finance Eligible Expenditures; and (b) pay: (i) the Front-end Fee; and (ii) each Interest Rate Cap or Interest Rate Collar premium; in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table:

Category	Amount of the Loan Allocated (expressed in USD)	Percentage of Expenditures to be financed (inclusive of Taxes)
(1) Goods for the Project	12,500,000	100%
(2) Non-consulting services, consulting services, Operating Costs and Training for the Project	37,375,000	100%
(3) Front-end Fee	125,000	Amount payable pursuant to Section 2.03 of this Agreement in accordance with Section 2.07 (b) of the General Conditions
(4) Interest Rate Cap or Interest Rate Collar premium	0	Amount due pursuant to Section 4.05 (c) of the General Conditions
TOTAL AMOUNT	50,000,000	

B. Withdrawal Conditions; Withdrawal Period.

1. Notwithstanding the provisions of Part A above, no withdrawal shall be made for payments made prior to the Signature Date, except that withdrawals up to an aggregate amount not to exceed USD 10,000,000 may be made for payments made prior to this date but on or after the date falling twelve (12) months before the Signature Date, for Eligible Expenditures.

2. The Closing Date is December 29, 2028. The Bank may grant an extension of the Closing Date only after the Guarantor's Ministry of Finance has informed the Bank that it agrees with such extension.

SCHEDULE 3**Commitment-Linked Amortization Repayment Schedule**

The following table sets forth the Principal Payment Dates of the Loan and the percentage of the total principal amount of the Loan payable on each Principal Payment Date (“Installment Share”).

Level Principal Repayments

Principal Payment Date	Installment Share
On each April 15 and October 15 Beginning October 15, 2028 through October 15, 2041	3.57%
On April 15, 2042	3.61%

APPENDIX

Definitions

1. “Anti-Corruption Guidelines” means, for purposes of paragraph 6 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.
2. “Attorney General’s Office” means *Procuradoria-Geral do Estado do Tocantins*, established and operating pursuant to the Borrower’s Law no. 3.421, dated 8 March 2019, as amended, or any successor thereto acceptable to the Bank.
3. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
4. “Comptroller General” means *Controladoria Geral do Estado – CGE*, the Borrower’s Comptroller General, established and operating pursuant to the Borrower’s Law no. 3.421, dated 8 March 2019, as amended, or any successor thereto acceptable to the Bank.
5. “Departments” means collectively the Implementing Secretariats and IGEPREV.
6. “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated June 22, 2023, 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 Borrower 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.
7. “Environmental and Social Standards” 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 Historically Underserved Traditional Local Communities”; (viii) “Environmental and Social Standard 8: Cultural Heritage”; (ix) “Environmental and Social Standard 9: Financial Intermediaries”; (x) “Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure”; effective on October 1, 2018, as published by the Bank.
8. “General Conditions” means the “International Bank for Reconstruction and Development General Conditions for IBRD Financing, Investment Project Financing”, dated December 14, 2018 (revised on August 1, 2020, December 21, 2020, April 1, 2021, and January 1, 2022).

9. “IGEPREV” means *Instituto de Gestão Previdenciária do Estado do Tocantins-IGEPREV*, the Borrower’s Pensions Agency established and operating pursuant to the Borrower’s Law no. 072, dated 31 July 1989, as amended, or any successor thereto acceptable to the Bank.
10. “Implementation Agreement” means the agreement referred to in Section I.A.2 of Schedule 2 to this Agreement to be entered into between the Borrower and IGEPREV.
11. “Implementing Secretariats” means SECAD, SEFAZ, SEPLAN, SES, SEDUC and SETAS.
12. “Operating Costs” means the incremental operating expenditures incurred by the Implementing Secretariats and IGEPREV on account of the Project implementation, management, monitoring and evaluation, including office rent, office materials and supplies, utilities, communication costs, support for information systems, translation costs, bank charges and travel and per diem costs and other reasonable expenditures directly associated with the implementation of the Project activities, all based on an annual budget acceptable to the Bank.
13. “Personal Data” means 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 available 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 identity of an individual.
14. “Procurement Regulations” means, for purposes of paragraph 84 of the Appendix to the General Conditions, the “World Bank Procurement Regulations for IPF Borrowers”, dated November 2020.
15. “Pró-Gestão ROP” means the Guarantor’s Operational Regulations dated April 7, 2020, approved on April 22, 2021, as modified on June 2, 2022, in the context of the negotiations of Progestão Alagoas: Public Sector Management Efficiency Project, as the same may be amended from time to time with agreement of the Bank.
16. “Project Implementation Unit” or “PIU” means any of the units referred to in Section I.A.(b)(ii) of Schedule 2 to the Loan Agreement.
17. “Project Management Unit” or “PMU” means the unit referred to in Section I.A.(b)(i) of Schedule 2 to the Loan Agreement.
18. “Project Operations Manual” or “POM” means the manual referred to in Section I.B of Schedule 2 to this Agreement, setting forth detailed guidelines and procedures for the implementation of the Project.
19. “SECAD” means the Borrower’s Secretariat of Administration (*Secretaria da Administração*), established and operating pursuant to the Borrower’s Law no. 3.421, dated 8 March 2019, as amended, or any successor thereto acceptable to the Bank.

20. “SEDUC” means the Borrower’s Secretariat of Education (*Secretaria de Estado da Educação*), established and operating pursuant to the Borrower’s Law no. 3.421, dated 8 March 2019, as amended, or any successor thereto acceptable to the Bank.
21. “SEFAZ” means the Borrower’s Secretariat of Finance (*Secretaria da Fazenda*), established and operating pursuant to the Borrower’s Law no. 3.421, dated 8 March 2019, as amended, or any successor thereto acceptable to the Bank.
22. “SEPLAN” means the Borrower’s Secretariat of Planning (*Secretaria do Planejamento e Orçamento*), established and operating pursuant to the Borrower’s Law no. 3.421, dated 8 March 2019, as amended, or any successor thereto acceptable to the Bank.
23. “SES” means the Borrower’s Secretariat of Health (*Secretaria da Saúde*), established and operating pursuant to the Borrower’s Law no. 3.421, dated 8 March 2019, as amended, or any successor thereto acceptable to the Bank.
24. “SETAS” means the Borrower’s Secretariat of Labor and Social Development (*Secretaria do Trabalho e Desenvolvimento Social*), established and operating pursuant to the Borrower’s Law no. 3.421, dated 8 March 2019, as amended, or any successor thereto acceptable to the Bank.
25. “Steering Committee” means the advisory committee referred to in Section I.A.(d)(i) in Schedule 2 to the Loan Agreement.
26. “Signature Date” means the later of the two dates on which the Borrower and the Bank signed this Agreement and such definition applies to all references to “the date of the Loan Agreement” in the General Conditions.
27. “Training” means expenditures (other than those for consulting services) incurred in connection with study tours, training courses, seminars, workshops, and other training activities, not included under goods or service providers’ contracts, including costs of training materials, space and equipment rental, travel, per diem costs for trainees and trainers and trainers’ fees (as applicable), all based on an annual budget satisfactory to the Bank.