
**CREDIT NUMBER 7584-PK (CREDIT A)
CREDIT NUMBER 7583-PK (CREDIT B)**

Financing Agreement

(Additional Financing for Pakistan Crisis-Resilient Social Protection)

between

ISLAMIC REPUBLIC OF PAKISTAN

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

FINANCING AGREEMENT

AGREEMENT dated as of the Signature Date between ISLAMIC REPUBLIC OF PAKISTAN (“Recipient”) and INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”). 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. 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 two credits, which are deemed as Concessional Financing for purposes of the General Conditions, in the following amounts to assist in financing the program described in Schedule 1 to this Agreement (“Program”):
 - (a) the amount of two hundred seventy million Dollars (\$270,000,000), as such amount may be converted from time to time through a Currency Conversion (variously, “Credit A” and “Financing”); and
 - (b) the amount of one hundred thirty million Dollars (\$130,000,000), as such amount may be converted from time to time through a Currency Conversion (variously, “Credit B” and “Financing”).
- 2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section IV of Schedule 2 to this Agreement. All withdrawals from the Financing Account shall be deposited by the Association into an account specified by the Recipient and acceptable to the Association.
- 2.03. The Maximum Commitment Charge Rate is one-half of one percent (1/2 of 1%) per annum on the Unwithdrawn Financing Balance.
- 2.04. The Service Charge is the greater of: (a) the sum of three-fourths of one percent (3/4 of 1%) per annum plus the Basis Adjustment to the Service Charge of

Credit A; and (b) three-fourths of one percent (3/4 of 1%) per annum, or such rate as may apply following a Currency Conversion; on the Withdrawn Credit Balance.

- 2.05. The Interest Charge is the greater of: (a) the sum of one and a quarter percent (1.25%) per annum plus the Basis Adjustment to the Interest Charge; and (b) zero percent (0%) per annum, or such rate as may apply following a Currency Conversion; on the Withdrawn Credit Balance of Credit A.
- 2.06. The Payment Dates are January 1 and July 1 in each year.
- 2.07. The principal amount of the Credit A and Credit B shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.
- 2.08. The Payment Currency is Dollar.

ARTICLE III — PROGRAM

- 3.01. The Recipient declares its commitment to the objective of the Program. To this end, the Recipient shall cause the Program to be carried out by the Program Implementing Entity in accordance with the provisions of Article V of the General Conditions, Schedule 2 to this Agreement and the Program Agreement.

ARTICLE IV — REMEDIES OF THE ASSOCIATION

- 4.01. The Additional Event of Suspension consists of the following, namely that the BISP Law has been amended, suspended abrogated, repealed or waived, whether in whole or in part, so as to affect materially and adversely the objective of the Program.
- 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 thirty (30) days after notice of the event has been given by the Association to the Recipient.

ARTICLE V —TERMINATION

- 5.01. The Effectiveness Deadline is the date ninety (90) days after the Signature Date.

- 5.02. 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

- 6.01. The Recipient's Representative is the Secretary, Additional Secretary, Joint Secretary, Deputy Secretary or Section Officer of the Recipient's Ministry of Economic Affairs.

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

- (a) The Recipient's address is:

Ministry of Economic Affairs
Government of Pakistan
Islamabad
Pakistan; and

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

Facsimile:	E-mail:
92-51-910-4016	secretary@ead.gov.pk

- 6.03. 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:

Facsimile:	E-mail:
1-202-477-6391	CMUPakistan@worldbank.org

AGREED as of the Signature Date.

ISLAMIC REPUBLIC OF PAKISTAN

By



Authorized Representative
Kazim Niaz

Name: _____

Title: _____ Secretary Ministry of Economic Affairs

Date: _____ 25-Jun-2024

INTERNATIONAL DEVELOPMENT ASSOCIATION

By



Authorized Representative

Name: _____ Najy Benhassine

Title: _____ Country Director

Date: _____ 21-Jun-2024

SCHEDULE 1

Program Description

The objective of the Program is to support the development of an adaptive and crisis-resilient social protection system.

The Program consists of the Results Areas 1 and 3 of the Original Program.

SCHEDULE 2

Program Execution

Section I. Implementation Arrangements

A. On-lending Arrangements for the Program

1. (a) To facilitate the carrying out of the Program, the Recipient shall make the proceeds of the Financing available to the Program Implementing Entity in accordance with the provision of this Agreement and the Recipient's on-lending policies and budgetary procedures, and under the same terms and conditions as shall have been received from the Association.
- (b) Notwithstanding paragraph 1 above, in the event that any of the provisions of this Agreement, including the instructions that the Association shall have specified by notice to the Recipient pursuant to Section IV.A.1 of this Schedule, are inconsistent with the budgetary procedures of the Recipient, the provision of this Agreement shall prevail.
- (c) The Recipient shall exercise its rights under the on-lending arrangements referred to in the preceding paragraphs in such manner as to protect the interests of the Association and to accomplish the purposes of the Financing. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate, or waive its rights under such arrangements.

B. Program Institutions

The Recipient shall cause BISP to maintain its capacity with technical, social and environmental, fiduciary and other Program-related responsibilities for implementing the Program, all with powers, functions, capacity, staffing, and resources appropriate to fulfil their respective functions under the Program.

C. Additional Implementation Arrangements

1. Without limitation upon the generality of Part B of this Section I, the Recipient shall carry out the Program Action Plan, or cause the Program Action Plan to be carried out, in accordance with the schedule set out in the said Program Action Plan in a manner satisfactory to the Association.
2. The Recipient shall, or cause the Program Implementing Entity to ensure that collection, storage, usage, or processing of personal data are carried out with due regard to appropriate data protection and privacy standards and practices.

Section II. Excluded Activities

1. The Recipient shall ensure that the Program excludes any activities which:
 - (a) in the opinion of the Association, are likely to have significant adverse impacts that are sensitive, diverse, or unprecedented on the environment and/or affected people; or
 - (b) involve the procurement of: (i) works, estimated to cost \$50,000,000 equivalent or more per contract; (ii) goods, estimated to cost \$30,000,000 equivalent or more per contract; (iii) non-consulting services, estimated to cost \$20,000,000 equivalent or more per contract; or (iv) consulting services, estimated to cost \$15,000,000 equivalent or more per contract.

Section III. Program Monitoring, Reporting and Evaluation

A. Program Monitoring, Reporting and Evaluation

The Recipient shall furnish to the Association each Program Report not later than forty-five (45) days after the end of each calendar semester, covering the calendar semester.

B. Verification Protocols

1. The Recipient shall cause the Program Implementing Entity to:
 - (a) undertake a verification process to certify the fulfillment of the Disbursement Linked Results set out in Annex to Schedule 2 to this Agreement. To this end the Recipient shall cause the Program Implementing Entity to select, notify and engage and maintain throughout the period of implementation of the Program, the services of an Independent Verification Agency (IVA) with qualification and experience and under terms of reference acceptable to the Association, in order to: (i) support the Program's monitoring and evaluation; and (ii) document the achievement of DLIs/DLRs; and
 - (b) furnish to the Association corresponding verification report, in form and substance agreed with the Association.

Section IV. Withdrawal of the Proceeds of the Financing

A. General

1. 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 Program Expenditures (inclusive of Taxes), on the basis of the results (“Disbursement Linked Results” or “DLRs”) achieved by the Recipient/Program Implementing Entity, as measured against specific indicators (“Disbursement Linked Indicators” or “DLIs”), all as set forth in the table in paragraph 2 of this Part A.
2. The following table and Annex to Schedule 2 to this Agreement specify each category of withdrawal of the proceeds of the Financing (including the Disbursement Linked Indicators as applicable) (“Category”), the Disbursement Linked Results for each Category (as applicable), and the allocation of the amounts of the Financing to each Category:

Category (Including Disbursement Linked Indicator as applicable)	Amount of the Financing Allocated under Credit A (Expressed in USD)	Amount of the Financing Allocated under Credit B (Expressed in USD)
(1) DLI #13: The Benefit Adjustment Committee adopts a CPI-based indexation mechanism that sets the floor of annual increases to the Kafaalat cash transfer benefits	25,000,000	
(2) DLI #14: The first three (3) annual adjustments using the new CPI-based indexation formula as a minimum increase to the Kafaalat program amount are implemented		90,000,000
(3) DLI#15: The Benefit Adjustment Committee increases the Kafaalat cash amount (on top of CPI- based increase) to bring the average eligible families benefit to 15% of the targeted families’ average consumption		40,000,000
(4) DLI#16: Districts where recertification is initiated per the BISP Board-approved and revised recertification protocols	10,000,000	
(5) DLI#17: Union Councils where at least one (1) exclusive mobile MELA touchpoint is functional, starting from priority Districts with lowest coverage	25,000,000	
(6) DLI#18: Develop and operationalize a cloud-based data-sharing service that facilitates software and infrastructure support to programs	10,000,000	
(7) DLI#19: Programs external to BISP utilizing the complete cloud-based data-sharing service developed under DLI#18	20,000,000	

(8) DLI#20: BISP Board regulations are revised to include one (1) senior representative nominated by each of the Provincial governments as member of the BISP Board	20,000,000	
(9) DLI#21: Eligible but un-enrolled Kafaalat beneficiaries identified in the NSER, are enrolled in the program and have received at least one (1) quarterly payment	20,000,000	
(10) DLI#22: Federal Cabinet restricts new CCTs in Provinces; Federal and Provincial Cabinets approve cash-based social protection frameworks and adopt NSER as the base for targeting and clarify roles and mandates	80,000,000	
(11) DLI#23: Federal and Provincial Cabinets for Punjab and Sindh have endorsed phased, time-bound and costed action plans to progressively shift responsibility of health and nutrition CCTs to the Punjab and Sindh social protection authorities	20,000,000	
(12) DLI#24: The action plan(s) under DLI#23 have been implemented in a total of four (4) Districts between the Provinces of Sindh and/or Punjab, where the provision of health and nutrition CCT has been fully transferred as Provincial responsibility	40,000,000	
TOTAL AMOUNT	270,000,000	130,000,000

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made:
 - (a) on the basis of DLRs achieved prior to the Signature Date; or/and
 - (b) for any DLR under Categories (1) through (12), until and unless the Recipient has furnished evidence satisfactory to the Association that said DLR has been achieved, including verification reports from the Verification Agent, based on reports prepared by the Recipient clarifying the achievement of the DLRs in accordance with the Verification Protocol.

2. Notwithstanding the provisions of Part B.1(b) of this Section, the Recipient may withdraw an amount not to exceed \$100,000,000 as an advance; provided, however, that if the DLRs in the opinion of the Association, are not achieved (or only partially achieved) by the Closing Date, the Recipient shall refund such advance (or portion of such advance as determined by the Association in accordance with the provisions of paragraph 3 of this Part B) to the Association promptly upon notice thereof by the Association. Except as otherwise agreed with the Recipient, the Association shall cancel the amount so refunded. Any further withdrawals requested as an advance under any Category shall be permitted only on such terms and conditions as the Association shall specify by notice to the Recipient.

3. Notwithstanding the provisions of Part B.1(b) of this Section, if any of the DLRs under Category (3), (9), (10), (11) or (12) have not been achieved by the date by which the said DLR is set to be achieved (or such later date as the Association has established by notice to the Recipient), the Association may, by notice to the Recipient: (a) authorize the withdrawal of such lesser amount of the unwithdrawn proceeds of the Financing then allocated to said Category which, in the opinion of the Association, corresponds to the extent of achievement of said DLR, said lesser amount to be calculated in accordance with the formula set out in the table in Annex to Schedule 2 to this Agreement; (b) reallocate all or a portion of the proceeds of the Financing then allocated to said DLR to any other DLR ; and/or (c) cancel all or a portion of the proceeds of the Financing then allocated to said DLR.
4. The Closing Date is June 30, 2027.

ANNEX TO SCHEDULE 2

Disbursement Linked Indicators

DLI	Total Financing Allocated to DLI	DLI Baseline	Disbursement Linked Results (DLRs)					
			Year 1 (FY22)	Year 2 (FY23)	Year 3 (FY24)	Year 4 (FY25)	Year 5 (FY26)	Year 6 (FY27)
DLI 13 The Benefit Adjustment Committee adopts a CPI based indexation mechanisms that sets the floor of annual increases to the Kafaalat cash transfer benefits		n/a			DLR 13.1 Indexation formula/mechanism notified for automated annual adjustment by the Benefit Adjustment Committee Scalability: No Rollover: Yes			
Allocated amount (USD)	25,000,000 (Credit A)		0	0	25,000,000 (Credit A)	0	0	
DLI 14 The first three (3) annual adjustments using the new CPI-based indexation formula as a minimum increase to the Kafaalat program amount are implemented		n/a				DLR14.1 Payments disbursed based on the first annual adjustment the indexation formula Scalability: No	DLR14.2 Payments disbursed based on the second annual adjustment the indexation formula Scalability: No	DLR14.3 Payments disbursed based on the third annual adjustment the indexation formula Scalability: No

DLI	Total Financing Allocated to DLI	DLI Baseline	Disbursement Linked Results (DLRs)					
			Year 1 (FY22)	Year 2 (FY23)	Year 3 (FY24)	Year 4 (FY25)	Year 5 (FY26)	Year 6 (FY27)
						Rollover: No	Rollover: No	
Allocated amount (USD)	90,000,000 (Credit B)		0	0	0	30,000,000 (Credit B)	30,000,000 (Credit B)	30,000,000 (Credit B)
DLI 15 The Benefit Adjustment Committee increases the Kafaalat cash amount (on top of CPI-based increase) to bring the average eligible families benefit to 15% of the targeted families' average consumption							DLR 15.1 Kafaalat benefit amount increased to equivalent to 15% of the targeted families average consumption Scalability: Yes (\$10 million is disbursed for every 1% increase from the current baseline of 11% to a maximum of 15%) Rollover: Yes	
Allocated amount (USD)	40,000,000 (Credit B)						40,000,000 (Credit B)	

DLI	Total Financing Allocated to DLI	DLI Baseline	Disbursement Linked Results (DLRs)					
			Year 1 (FY22)	Year 2 (FY23)	Year 3 (FY24)	Year 4 (FY25)	Year 5 (FY26)	Year 6 (FY27)
DLI 16 Districts where recertification is initiated per the BISP Board- approved and revised recertification protocols		n/a				DLR 16.1 At least 50% of Districts are recertified according to the BISP Board approved revised recertification protocols Scalability: No Rollover: Yes	DLR 16.2 At least 80% of Districts are recertified according to the BISP Board approved revised recertification protocols Scalability: No Rollover: Yes	
Allocated amount (USD)	10,000,000 (Credit A)		0	0	0	5,000,000 (Credit A)	5,000,000 (Credit A)	
DLI 17 Union Councils where at least one (1) exclusive mobile MELA touchpoint is functional, starting from priority Districts with lowest coverage		n/a				DLR 17.1 At least 50% of Union Councils have one exclusive mobile MELA touchpoint functional Scalability: No Rollover: Yes	DLI 17.2 At least 80% Union Councils have one exclusive mobile MELA touchpoint functional Scalability: No Rollover: Yes	

DLI	Total Financing Allocated to DLI	DLI Baseline	Disbursement Linked Results (DLRs)					
			Year 1 (FY22)	Year 2 (FY23)	Year 3 (FY24)	Year 4 (FY25)	Year 5 (FY26)	Year 6 (FY27)
Allocated amount (USD)	25,000,000 (Credit A)		0	0	0	10,000,000 (Credit A)	15,000,000 (Credit A)	
DLI 18 Develop and operationalize a cloud-based data-sharing service that facilitates software and infrastructure support to programs		n/a				DLR 18.1 A cloud-based infrastructure for sharing of NSER developed and tested. Scalability: No Rollover: Yes		
Allocated amount (USD)	10,000,000 (Credit A)		0	0	0	10,000,000 (Credit A)	0	
DLI 19 Programs external to BISP utilizing the complete cloud-based data-sharing service developed under DLI#18		n/a				DLR 19.1 At least 1 external program to BISP is utilizing the complete cloud-based service Scalability: No Rollover: Yes	DLR 19.2 At least 2 external programs to BISP are utilizing the complete cloud-based service Scalability: No Rollover: Yes	
Allocated amount (USD)	20,000,000 (Credit A)		0	0	0	10,000,000 (Credit A)	10,000,000 (Credit A)	

DLI	Total Financing Allocated to DLI	DLI Baseline	Disbursement Linked Results (DLRs)					
			Year 1 (FY22)	Year 2 (FY23)	Year 3 (FY24)	Year 4 (FY25)	Year 5 (FY26)	Year 6 (FY27)
DLI 20 BISP Board regulations are revised to include one (1) senior representative nominated by each of the Provincial governments as member of the BISP Board						DLR 20.1 BISP Board regulations revised to include Provincial representation Scalability: No Rollover: Yes		
Allocated amount (USD)	20,000,000 (Credit A)					20,000 000 (Credit A)		
DLI 21 Eligible but un-enrolled Kafaalat beneficiaries identified in the NSER, are enrolled in the program and have received at least one (1) quarterly payment						DLR 21.1 At least 350,000 new Kafaalat beneficiaries are enrolled into the program and receive payment Scalability: Yes \$10,000.000 for 200,000 new Kafaalat beneficiaries, and additional \$10,000,000 for the additional 150,000 new		

DLI	Total Financing Allocated to DLI	DLI Baseline	Disbursement Linked Results (DLRs)					
			Year 1 (FY22)	Year 2 (FY23)	Year 3 (FY24)	Year 4 (FY25)	Year 5 (FY26)	Year 6 (FY27)
						Kafaalat beneficiaries Rollover: No		
Allocated amount (USD)	20,000,000 (Credit A)					20,000,000 (Credit A)		
DLI 22 Federal Cabinet restricts new CCTs in Provinces; Federal and Provincial Cabinets approve cash-based social protection frameworks and adopt NSER as the base for targeting and clarify roles and mandates						DLR 22.1 1 Federal and 4 Provincial Cabinets respectively approved their social protection frameworks Scalability: Yes \$20 million is disbursed for each of the approved frameworks of Federal, Punjab and Sindh Cabinets and \$10 million is disbursed for each for the approved frameworks of		

DLI	Total Financing Allocated to DLI	DLI Baseline	Disbursement Linked Results (DLRs)					
			Year 1 (FY22)	Year 2 (FY23)	Year 3 (FY24)	Year 4 (FY25)	Year 5 (FY26)	Year 6 (FY27)
						KP and Balochistan Cabinets Rollover: Yes		
Allocated amount (USD)	80,000,000 (Credit A)					80,000,000 (Credit A)		
DLI 23 Federal and Provincial Cabinets for Punjab and Sindh have endorsed phased, time-bound and costed action plans to progressively shift responsibility of health and nutrition CCTs to the Punjab and Sindh social protection authorities		n/a			0	DLR23.1 Provincial Cabinets of Punjab and Sindh Provinces approve a phased plan endorsed by the Federal Cabinet Scalability: Yes \$10 million is disbursed against each of the cabinet approved action plans of Sindh and Punjab after their respective endorsement by the Federal Cabinet		

DLI	Total Financing Allocated to DLI	DLI Baseline	Disbursement Linked Results (DLRs)					
			Year 1 (FY22)	Year 2 (FY23)	Year 3 (FY24)	Year 4 (FY25)	Year 5 (FY26)	Year 6 (FY27)
						Rollover: Yes		
Allocated amount (USD)	20,000,000 (Credit A)		0	0	0	20,000,000 (Credit A)		
DLI 24 The action plan(s) under DLI#23 have been implemented in a total of four (4) Districts between the Provinces of Sindh and/or Punjab, where the provision of health and nutrition CCT has been fully transferred as Provincial responsibility							DLR 24.1 The transition according to the approved action plans under DLI#23 takes place in at least 4 Districts in the Province of Punjab and/or Sindh Scalable: Yes \$10 million is disbursed for each District where transition has been completed per the action plan Rollover: Yes	
Allocated amount (USD)	40,000,000 (Credit A)						40,000,000 (Credit A)	

DLI	Total Financing Allocated to DLI	DLI Baseline	Disbursement Linked Results (DLRs)					
			Year 1 (FY22)	Year 2 (FY23)	Year 3 (FY24)	Year 4 (FY25)	Year 5 (FY26)	Year 6 (FY27)
Total amount (USD)	270,000,000 (Credit A)							
	130,000,000 (Credit B)							

SCHEDULE 3

Repayment Schedule

For CREDIT A

Date Payment Due	Principal Amount of the Credit repayable (Expressed as a percentage) *
On each January 1 and July 1: commencing July 1, 2029, to and including January 1, 2049	1.65%
commencing July 1, 2049, to and including January 1, 2054	3.40%

* The percentages represent the percentage of the principal amount of the Credit A to be repaid, except as the Association may otherwise specify pursuant to Section 3.05 (b) of the General Conditions.

For CREDIT B

Date Payment Due	Principal Amount of the Credit B-SML repayable (Expressed as a percentage) **
On each January 1 and July 1: commencing July 1, 2030, to and including July 1, 2035	8.33334%
on January 1, 2036	8.33326%

** The percentages represent the percentage of the principal amount of the Credit B to be repaid, except as the Association may otherwise specify pursuant to Section 3.05 (b) of the General Conditions.

APPENDIX

Definitions

1. “Allocated Amounts” means the amount in Dollars allocated to each individual DLR, or determined for each DLR pursuant to the formula detailed, in Annex to Schedule 2 to this Agreement, as such amount might be increased, reallocated and/or cancelled (whether partially or in its entirety) by the Association, from time to time as the case may be, in accordance with the provisions of Section IV.B.3 of Schedule 2 to this Agreement.
2. “Anti-Corruption Guidelines” means, for purposes of paragraph 5 of the Appendix to the General Conditions, the Association’s “Guidelines on Preventing and Combating Fraud and Corruption in Program-for-Results Financing,” dated February 1, 2012, and revised July 10, 2015.
3. “Basis Adjustment to the Interest Charge” means the Association’s standard basis adjustment to the Interest Charge for credits in the currency of denomination of the Credit, in effect at 12:01 a.m. Washington, D.C. time, on the date on which the Credit is approved by the Executive Directors of the Association, and expressed either as a positive or negative percentage per annum.
4. “Basis Adjustment to the Service Charge” means the Association’s standard basis adjustment to the Service Charge for credits in the currency of denomination of the Credit, in effect at 12:01 a.m. Washington, D.C. time, on the date on which the Credit is approved by the Executive Directors of the Association, and expressed as a percentage per annum.
5. “Benefit Adjustment Committee” means the committee established on May 26, 2021, through the notification of the Ministry of Finance (U.O.No.3(23)EFP-III/2020-429), for the BISP cash transfer benefit adjustment.
6. “BISP” means the Benazir Income Support Programme, an autonomous statutory authority responsible for the implementation of the Recipient’s cash transfer programs, including those under the NSPO, established pursuant to the BISP Law, or any successor thereto, which is the Program Implementing Entity.
7. “BISP Law” means the Recipient’s Benazir Income Support Programme Act 2010.
8. “BISP Management Board” means the board established and operating pursuant to Chapter III of the BISP Law.
9. “Category” means a category set forth in the table in Section IV.A.2 of Schedule 2 to this Agreement.

10. “CCT” means the conditional cash transfer.
11. “CPI” means consumer price index published by the Pakistan Bureau of Statistics to measure the monthly change in prices paid by the Pakistani consumers.
12. “Credit A” means the credit in the amount referenced in Section 2.01(a) of this Agreement and the Credit for purposes of paragraph 25 of the Appendix to the General Conditions.
13. “Credit B” means the credit in the amount referenced in Section 2.01(b) of this Agreement and the Credit for purposes of paragraph 25 of the Appendix to the General Conditions.
14. “Disbursement Linked Indicator” or “DLI” means in respect of a given Category, the indicator related to said Category as set forth in the table in Section IV.A.2 of Schedule 2 to this Agreement.
15. “Disbursement Linked Result” or “DLR” means in respect of a given Category, the result under said Category as set forth in the table in Section IV.A.2 of Schedule 2 to this Agreement, on the basis of the achievement of which, the amount of the Financing allocated to said result may be withdrawn in accordance with the provisions of said Section IV.
16. “District” means an administrative subdivision of a Province.
17. “Federal Cabinet” means the Recipient’s cabinet, consisting of the Recipient’s Prime Minister and the federal ministers, and established pursuant to Section 91 of the Recipient’s Constitution, or any successor thereto.
18. “Fiscal Year” or “FY” means the Recipient’s and the Program Implementing Entity’s fiscal year which commences on July 1 of each calendar year, and ends on June 30 of the following calendar year.
19. “General Conditions” means the “International Development Association General Conditions for IDA Financing, Program-for-Results Financing”, dated December 14, 2018 (Last revised on July 15, 2023).
20. “Independent Verification Agent” or the acronym “IVA” means the Independent Verification Agent to be appointed by the Program Implementing Entity for the purpose of verifying DLRs in accordance with Section III.B.1(a) of Schedule 2 to this Agreement and Section I.C.1(a) of the Schedule to the Program Agreement.
21. “Kafaalat Program” means BISP’s unconditional cash transfer program, initiated in 2008.

22. “MELA” means the multi-entry localized access, which is the dynamic update mechanism for the NSER.
23. “Ministry of Finance” means the Recipient’s Ministry of Finance and Revenue, or any successor thereto.
24. “National Socio-Economic Registry” or “NSER” means the Recipient’s socio-economic registry to maintain data on households welfare status, which is used to target BISP and other social programs.
25. “Nashonuma Program” means the BISP’s conditional cash transfer program, established through 36th meeting of the BISP Board held on December 19, 2019, which is linked to conditionalities related to the health and nutrition of mothers and children.
26. “Original Financing Agreement” means the financing agreement between the Recipient and the Association, dated March 26, 2021, as amended, for the purpose of providing original credit for the Original Project, as may be amended from time to time (Credit No. 6855-PK).
27. “Original Implementing Entity Agreement” means the implementing entity agreement entered into between the Association and the Program Implementing Entity with respect to the Original Operation which consists of the Program and Project, in connection with the Original Financing Agreement, dated March 29, 2021, (Credit No. 6855-PK), as the same may be amended from time to time.
28. “Original Program” means the Program described in Schedule 1 to the Original Financing Agreement.
29. “Program Action Plan” means the Recipient’s plan dated May 17, 2024 and referred to in Section I.C of Schedule 2 to this Agreement, as may be amended from time to time with the agreement of the Association.
30. “Program Implementing Entity” means BISP, or any successor thereto.
31. “Province” means each of the Provinces of Punjab, Sindh, Balochistan, and Khyber Pakhtunkhwa of the Recipient, individually considered.
32. “Provincial Cabinet” means the body comprised of the Chief Minister and designated ministers, responsible for day-to-day affairs of the Provincial government.

33. “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.
34. “Tehsil” means a territorial recognized division of the Recipient at the sub-district level.
35. “TW” means Taleemi Wazaif, the BISP’s conditional cash transfer program, established through 17th meeting of the BISP Board held on December 4, 2012, which is linked to education.
36. “Union Council” means a third tier of an administrative unit in Pakistan, within a Province after District and Tehsil.
37. “Verification Protocol” means the Recipient’s and/or Implementing Entity’s protocol, acceptable to the Association, setting forth the means by which the achievement of DLRs will be verified under the Program, as such Verification Protocol may be amended from time to time with the prior written agreement of the Association.