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**DFATD GRANT NUMBER TF0C1584-TZ**

# **DFATD Grant Agreement**

**(Additional Financing for the Productive Social Safety Net Project II)**

**between**

**THE UNITED REPUBLIC OF TANZANIA**

**and**

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

**acting as administrator of the Tanzania Second Productive Social Safety Nets  
Project Single Donor Trust Fund**

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**DFATD GRANT NUMBER TF0C1584-TZ**

**DFATD TRUST FUND  
GRANT AGREEMENT**

AGREEMENT dated as of the Signature Date between THE UNITED REPUBLIC OF TANZANIA (“Recipient”) and INTERNATIONAL DEVELOPMENT ASSOCIATION (“Bank”), acting as administrator of Tanzania Second Productive Social Safety Nets Project Single Donor Trust Fund (TF073946) (“Trust Fund”). The Recipient and the Bank hereby agree as follows:

**Article I  
Standard Conditions; Definitions**

- 1.01. The Standard 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 Standard Conditions or in the Appendix this Agreement.

**Article II  
The Project**

- 2.01. The Recipient declares its commitment to the objectives of the project described in Schedule 1 to the Original Financing Agreement (“Project”). To this end, the Recipient shall carry out the Project, and cause each Project Area Authority (“PAA”) to carry out their Respective PAA Level Activities under the Project, in accordance with the provisions of Article II of the Standard Conditions and, Schedule 1 to this Agreement.

**Article III  
The Grant**

- 3.01. The Bank agrees to extend to the Recipient a grant in an amount not to exceed seven million four hundred ninety thousand seven hundred eighty-nine United States Dollars (USD7,490,789) (“Grant”) to assist in financing the Project.
- 3.02. The Recipient may withdraw the proceeds of the Grant in accordance with Section II of the Schedule to this Agreement.
- 3.03. The Grant is funded out of the abovementioned Trust Fund for which the Bank receives periodic contributions from the donor to the Trust Fund. In accordance with

Section 3.02 of the Standard Conditions, the Bank's payment obligations in connection with this Agreement are limited to the amount of funds made available to it by the donor under the abovementioned trust fund, and the Recipient's right to withdraw the Grant proceeds is subject to the availability of such funds.

**Article IV**  
**Effectiveness; Termination**

- 4.01. This Agreement shall not become effective until evidence satisfactory to the Bank has been furnished to the Bank that, the Financing Agreement and the Amendment Letter have been duly executed and delivered and all conditions precedent for their effectiveness (other than the effectiveness of this Agreement), or to the right of the Recipient to make withdrawals under the Financing Agreement, have been fulfilled.
- 4.02. By signing this Agreement, the Recipient shall be deemed to represent and warrant that on the Signature Date, this Agreement has been duly authorized by, and executed and delivered on behalf of, the Recipient and is legally binding upon the Recipient in accordance with its terms, except where additional action is required to make this Agreement legally binding. Where additional action is required following the Signature Date, the Recipient shall notify the Bank when such additional action has been taken. By providing such notification, the Recipient shall be deemed to represent and warrant that on the date of such notification, this Agreement is legally binding upon the Recipient in accordance with its terms.
- 4.03. Except as the Recipient and the Bank shall otherwise agree, this Agreement shall enter into effect on the date upon which the Bank dispatches to the Recipient notice of its acceptance of the evidence required pursuant to Section 4.01 above ("Effective Date"). If, before the Effective Date, any event has occurred which would have entitled the Bank to suspend the right of the Recipient to make withdrawals from the Grant Account if this Agreement had been effective, the Bank may postpone the dispatch of the notice referred to in this Section until such event (or events) has (or have) ceased to exist.
- 4.04. This Agreement and all obligations of the parties under it shall terminate if it has not entered into effect by the date ninety (90) days after the date of this Agreement, unless the Bank, after consideration of the reasons for the delay, establishes a later date for the purpose of this Section. The Bank shall promptly notify the Recipient of such a later date.

**Article V**  
**Recipient's Representative; Addresses**

- 5.01. The Recipient's Representative referred to in Section 7.02 of the Standard Conditions is the recipient's minister responsible for finance.

5.02. For purposes of Section 7.01 of the Standard Conditions:

(a) the Recipient's address is:

Ministry of Finance  
Government City – Mtumba  
Treasury Avenue  
P.O. Box 2802  
40468 Dodoma  
Tanzania; and

(b) the Recipient's Electronic Address is:

Facsimile:	E-mail
+255-26-296-3109	<a href="mailto:mwigulu.nchemba@hazina.go.tz">mwigulu.nchemba@hazina.go.tz</a>

5.03. For purposes of Section 7.01 of the Standard Conditions:

(a) the Bank's address is:

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

(b) the Bank's Electronic Address is:

Facsimile:	E-mail
1-202-477-6391	<a href="mailto:nbelele@worldbank.org">nbelele@worldbank.org</a>

AGREED as of the Signature Date.

**THE UNITED REPUBLIC OF TANZANIA**

**By**

*Dr. Natu El-Maamry Mwamba*

\_\_\_\_\_  
**Authorized Representative**

**Name:** Dr. Natu El-Maamry Mwamba

**Title:** Permanent Secretary, Ministry of Finance

**Date:** 13-Aug-2023

**INTERNATIONAL DEVELOPMENT  
ASSOCIATION**

**acting as administrator of the Tanzania Second Productive  
Social Safety Nets Project Single Donor Trust Fund**

**By**

*Nathan M. Belete*

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**Authorized Representative**

**Name:** Nathan M. Belete

**Title:** Country Director

**Date:** 10-Aug-2023

**SCHEDULE**  
**Project Execution**

**Section I. Institutional and Other Arrangements**

**A. Institutional Arrangements.**

1. The Recipient shall implement the Project, and cause the PAAs to implement their Respective PAA Level Activities under the Project, in accordance with the provisions of Sections I and II of Schedule 2 to the Original Financing Agreement, which are hereby incorporated by reference and, *mutatis mutandis*, form part of this Agreement. To this end:
  - (a) the references to “*this Agreement*” and the “*Financing*” in the above-referred Sections of the Original Financing Agreement shall be deemed to also refer to both the Original Financing Agreement and this Agreement, as well as the Original Financing and the Grant extended hereunder, respectively.
  - (b) so long as any part of the Original Financing provided for under the Original Financing Agreement shall remain outstanding and unless the Recipient has been notified otherwise by the Bank:
    - (i) all actions taken, including approvals given, by the International Development Association (“Association”) pursuant to any section of, and/or schedule to, the Original Financing Agreement, shall be deemed to also be taken or given in the name, and on behalf of, the Bank under this Agreement; and
    - (ii) all information or documentation furnished by the Recipient to the Association pursuant to the provisions of any sections of the Original Financing Agreement, and/or any appendices, schedules or supplemental agreements thereto, shall be deemed to be furnished to the Bank for purposes of, and in respect to, the provisions, sections, appendices and schedules of, and supplemental agreements to, this Agreement;
  - (c) if the Original Financing Agreement terminates prior to the termination of this Agreement, the provisions of the Original Financing Agreement referred to in this Agreement shall continue in full force and effect between the Recipient and the Bank.

**Section II. Withdrawal of Grant Proceeds**

**A. General**

The Recipient may withdraw the proceeds of the Grant in accordance with the provisions of: (a) Article III of the Standard Conditions; and (b) this Section; to finance Eligible Expenditures in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table.

<b>Category</b>	<b>Amount of the Grant Allocated (expressed in USD)</b>	<b>Percentage of Expenditures to be Financed (inclusive of Taxes)]</b>
(1) Cash Transfers Program under Part 1.1.(a), (b) and (c) of the Project	7,490,789	0% until the amount allocated to the equivalent disbursement category of the table in Section III.A of Schedule 2 to the Original Financing Agreement (as amended) has been fully disbursed; and 100% thereafter
<b>TOTAL AMOUNT</b>	7,490,789	

**B. Withdrawal Conditions; Withdrawal Period**

1. Notwithstanding the provisions of Part A of this Section no withdrawal shall be made for payments made prior to the Signature Date.
2. The Closing Date is September 30, 2025.

**C. Additional Provisions**

1. It is the Recipient's own undertaking that the importation, procurement, and/or supply of any goods, works and/or services, which are wholly and exclusively for the purpose of the execution of the Project and financed with the proceeds of the Grant, will be exempted from taxes and duties.

## **APPENDIX**

### **Definitions**

1. “Anti-Corruption Guidelines” means, for purposes of paragraph 2 of the Appendix to the Standard 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. “Cash Transfers Program” means the program of cash transfers implemented under Part 1.1 of the Project.
3. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
4. “Effective Date” means the date of the communication dispatched by the Bank pursuant to Article IV, Section 4.03 of this Agreement.
5. “LGAs” means each of the Recipient’s local government authorities recognized in Article 145 of the Recipient’s Constitution and established under the Local Government (District Authorities) Act, Cap. 287 and/or the Local Government (Urban Authorities), Cap. 288.
6. “Original Financing” means the credit in the amount of three hundred twenty-three million seven hundred thousand Special Drawing Rights (SDR 323,700,000) (Cr. 6489-TZ) extended to the Recipient by the International Development Association pursuant to the terms and conditions set forth in the Original Financing Agreement.
7. “Original Financing Agreement” means the financing agreement for the Project between the Recipient and the International Development Association, dated October 7, 2019, for Credit No.6489-TZ, as such credit agreement may be amended from time to time. The term “Original Financing Agreement” includes all appendices, schedules and agreements supplemental to such agreement.
8. “Procurement Regulations” means, for purposes of paragraph 20 of the Appendix to the Standard Conditions, the “World Bank Procurement Regulations for IPF Borrowers”, dated November 2020.
9. “Project Area Authority” and the term “PAA” mean in the case of mainland Tanzania the LGAs, in the case of Zanzibar, the local authorities of Unguja and Pemba.
10. “Respective PAA Level Activities” means for a given PAA the activities under the Project within said PAA’s jurisdiction.



11. “Signature Date” means the later of the two dates on which the Recipient and the Bank signed this Agreement and such definition applies to all references to “the date of the Grant Agreement” in the Standard Conditions.
12. “Standard Conditions” means the “International Bank for Reconstruction and Development and International Development Association Standard Conditions for Grant Financing Made by the Bank out of Trust Funds”, dated February 25, 2019.