
CREDIT NUMBER 7596-LK (Credit A)
CREDIT NUMBER 7591-LK (Credit B-SML)

Financing Agreement

(Primary Healthcare System Enhancing Project)

between

DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

FINANCING AGREEMENT

AGREEMENT dated as of the Signature Date between THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA (“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. To assist in financing the project described in Schedule I to this Agreement (the “Project”), the Association agrees to extend to the Recipient the following credits which are deemed as Concessional Financing for purposes of the General Condition, in the following amounts:
 - (a) a credit in an amount equivalent to thirty-eight million Special Drawing Rights (SDR 38,000,000) (variously, “Credit A” and “Financing”); and
 - (b) a credit in an amount equivalent to seventy-five million nine hundred thousand Special Drawing Rights (75,900,000) (variously, “Credit B-SML” and “Financing”).
- 2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section III of Schedule 2 to this Agreement.
- 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 The Service Charge is three-fourths of one percent (3/4 of 1%) per annum on the Withdrawn Credit Balance of Credit A.
- 2.05. The Interest Charge is one and a quarter percent (1.25%) per annum on the Withdrawn Credit Balance of Credit A.
- 2.06. The Payment Dates are June 15 and December 15 in each year.
- 2.07. The principal amount of Credit A and Credit B-SML 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 — 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 — EFFECTIVENESS

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

4.02. 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 years after the Signature Date.

ARTICLE V — REPRESENTATIVE; ADDRESSES

5.01. The Recipient's Representative is its Secretary, Ministry of Finance.

5.02. For purposes of Section 11.01 of the General Conditions:

(a) the Recipient's address is:

Department of External Resources
The Secretariat
Colombo 1, Sri Lanka; and

(b) the Recipient's Electronic Address is:

Telex:	Facsimile:	E-mail:
94 11 2484693	94 11 2447633	dg@erd.gov.lk info@erd.gov.lk

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:	E-mail:
248423 (MCI)	1-202-477-6391	infosrilanka@worldbank.org

AGREED as of the Signature Date.

DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA

By



Authorized Representative

Name: K.M. Mahinda Siriwardana

Title: Secretary to the Treasury

Date: 12-Sep-2024

INTERNATIONAL DEVELOPMENT ASSOCIATION

By



Authorized Representative

Name: David N. Sislen

Title: Country Director, Maldives, Nepal, and Sri Lanka

Date: 10-Sep-2024

SCHEDULE 1

Project Description

The objective of the Project is to improve access and quality of primary health care services across all districts of Sri Lanka.

The Project consists of the following parts:

Part 1: Increase availability of comprehensive PHC services at PMCIs and MOH Offices.

- 1.1. Ensuring availability of essential inputs at PMCIs and MOH Offices through *inter alia*: (a) updating the national essential medicine list for PMCIs and other levels of care; (b) purchasing quality essential medicines, medical supplies, equipment, and laboratory reagents for PMCIs and MOH Offices; (c) undertaking minor civil works to refurbish the infrastructure and facilities of PMCIs and MOH Offices; (d) procuring IT networking equipment for improved laboratory networking facilities; (e) installing internet connections at PMCI's; (f) providing digitalization facilities and necessary IT equipment to improve the inter-operability and inter-connectivity of health IT systems; (g) procuring motor-cycles to allow dispatching of medical samples; (h) procuring vehicles to strengthen transport of waste to hospitals with incinerator facilities; (i) refurbishing existing wastewater treatment facilities; (j) procuring double cabs to strengthen primary healthcare supervision activities; and (k) employing at PMCIs innovative climate-resilient design of infrastructure such as solar panels, and cool roofs.
- 1.2. Sustaining and strengthening primary health workforce at PMCIs through *inter alia*: (a) developing a human resource optimization strategy; and (b) minor refurbishment of PMCI staff quarters.
- 1.3. Expanding the services provided by PMCIs through *inter alia*: (a) minor civil works and refurbishments to PMCIs; (b) procuring vital sign monitoring equipment; (c) procuring motorbikes and bicycles, including e-bikes, to facilitate provider visits to patient homes and communicable disease surveillance activities; (d) procuring equipment to expand telemedicine in PMCIs and technical assistance for remote consultations and service provision; (e) expanding daycare facilities for elderly; (f) purchasing high dependency beds at secondary care level apex hospitals linked to PMCIs in the shared cluster model; (g) upgrading divisional hospitals to provide basic specialist care facilities; and (h) strengthening community support services at MOH Offices.

Part 2: Strengthen the quality of clinical and person-centered care at PMCIs.

- 2.1. Building capacity for human resources for health.
- 2.2. Scaling up integrated care platforms by: (a) designing and implementing a referral and back-referral system; and (b) procuring equipment for the optimization of palliative, rehabilitative, and geriatric care, and for communicable disease control activities.
- 2.3. Strengthening governance systems for quality assurance by, *inter alia*: (a) updating and developing tools and guidelines for PMCI quality management; (b) revising, standardizing and digitalizing quality supervision tools; (c) enhancing medicine packaging; (d) strengthening the pharmacovigilance system; (e) standardizing reporting tools and improved labeling practices in dispensing areas; (f) standardizing routine patient experience surveys; (g) updating supervision protocols and accountability measures; (h) trainings on quality management and clinical audits; (i) strengthening the monitoring and evaluation functions at the Directorate of Healthcare Quality and Safety and at the Regional Director of Health Services Offices; and (j) strengthening the promotion of patient safety culture in PMCIs.

Part 3. Strengthen health promotion, community empowerment and citizen engagement.

- 3.1. Supporting the development and implementation of a comprehensive social and behavior change communication strategy to raise public awareness of available preventive and curative healthcare services at the PHC level, and of a strategy to strengthen the multisectoral coordination mechanism at the district level to coordinate NCD risk factor management and other critical illnesses.
- 3.2. Strengthening and expanding citizen engagement for preventive and curative care.

Part 4. Project Management and Monitoring and Evaluation.

- 4.1. Supporting the PCMU's Project management, reporting, supervision, capacity building, monitoring and evaluation, and surveys and operations research, including: (a) technical support for procurement activities, financial management, and environmental and social sustainability activities; (b) learning and knowledge exchange; (c) monitoring and evaluation and impact evaluations; (d) capacity building related to NCD management; (e) surveys and operations research; and (f) institutionalizing a national excellence award in PHC.
- 4.2. Strengthening the Project monitoring and management capacity: (a) at MoH by procuring transport vehicles for MoH's supervision of field activities and by procuring IT equipment; and (b) at MoF by technical assistance for the

development of a monitoring and evaluation system for the *Department of Project Management and Monitoring* of the MoF and by procuring IT equipment to facilitate national level monitoring of the Project's progress.

Part 5. Contingency Emergency Response

Provision of immediate response to an Eligible Crisis or Emergency, as needed.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements.

1. The Recipient shall designate and charge MoH with overall responsibility for Project implementation, with the support of the PCs.
2. National Steering Committee:
 - (a) The Recipient shall establish within thirty (30) days after the Effective Date and maintain throughout Project implementation the National Steering Committee to provide oversight, monitor implementation progress and provide overall guidance.
 - (b) The National Steering Committee shall meet at least once every three (3) months during Project implementation to review implementation progress, discuss emerging challenges, identify mitigating measures, and introduce course correction.
3. Project Coordination and Management Unit:
 - (a) The Recipient shall establish within sixty (60) days after the Effective Date and maintain, throughout the implementation of the Project, a separate dedicated team within MoH responsible for coordinating, managing, implementing, monitoring and supervising operational aspects of the Project (PCMU), with adequate resources and professional and administrative staff in numbers and with qualification and experience and under terms of reference satisfactory to the Association, including: (i) a Project director; (ii) a deputy Project director; (iii) a finance specialist and two financial management support staff; (iv) a procurement specialist and two procurement support staff; (v) a monitoring and evaluation specialist; (vi) an environmental and social specialist; (vii) a program administrative assistant; and (viii) such other specialists performing such functions as may be further detailed in the POM.
 - (b) The Recipient, acting through the PCMU in MoH, shall be responsible for, *inter alia*: (a) carrying out day-to-day overall Project coordination and management, including direct support to Provinces, PCs, Provincial Departments of Health Services, and PMCIs; (b) Project management and implementation of activities; (c) overall financial management and reporting; (d) assess, manage and monitor environmental and social risks

and impacts of the Project; (e) carry out quality control as well as facilitate and coordinate procurement activities; (f) monitor and evaluate the Project's performance; (g) manage the Project-level grievance and complaints procedures acceptable to the Association; and (h) such other functions as may be detailed in the POM.

- (c) Within one (1) year of the Effective Date, the Recipient shall adopt an internal audit mechanism for the Project and shall commence internal audit, in a manner satisfactory to the Association, and thereafter throughout the implementation of the Project shall maintain the internal audit mechanism and carry out internal audits.

B. Regional and Provincial Implementation Arrangements.

- 1. To facilitate the carrying out of the provincial level Project activities, the Recipient, shall ensure that:
 - (a) each PC and each Provincial Department of Health works closely with the MoH in the implementation of the Project, including designating provincial staff to the PCMU, coordinating, monitoring, evaluating, and reporting on Project implementation, all as further detailed in the POM.
 - (b) each PC allocates sufficient and appropriately qualified staff with adequate resources to enable the Recipient, the MoH, the PCMU and the respective Provincial Department of Health to carry out the provincial level Project activities within their Province.
 - (c) each PC establishes within thirty (30) days after the Effective Date and maintains throughout Project implementation a Project Provincial Working Committee that will meet quarterly to provide oversight, monitor implementation progress, and provide overall guidance on the provincial level Project activities.

C. Project Documents

- 1. The Recipient shall:
 - (a) within one (1) month of the Effective Date, prepare, approve, and adopt a Project Operating Manual (POM) in a manner and substance satisfactory to the Association. The POM shall set out detailed guidelines, methods and procedures for the implementation of the Project, including: (i) the different roles and responsibilities in the implementation of the Project, and the various mechanisms for ensuring close coordination and collaboration between MoH, the PCMU, PCs, Project Provincial Working Committees, and Provincial Departments of Health Services; (ii) budget

and budgetary control; (iii) flow of funds, disbursement procedures and banking arrangements; (iv) financial, procurement and accounting procedures; (v) internal control procedures; (vi) external audit; (vii) anti-corruption and fraud mitigation measures; (viii) environmental and social risks management aspects; (ix) reporting requirements, monitoring, and evaluation arrangements, including procedures and reporting formats; (x) PBC targets, Verification Protocols and verification arrangements for PBCs; and (xi) such other arrangements and procedures as shall be required for the effective implementation of the Project;

- (b) carry out the Project in accordance with the POM, provided however, that in the event of conflict between the provisions of said manual and those of this Agreement, the provisions of this Agreement shall prevail; and
- (c) refrain from suspending, voiding, waiving or materially and adversely amending, whether in whole or in part, any provision of the POM, without the prior written consent of the Association.

D. 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 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.

The Recipient shall ensure that all bidding documents and contracts for civil works under the Project include the obligation of contractors and subcontractors 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.

E. Contingent Emergency Response.

1. In order to ensure the proper implementation of contingent emergency response activities under Part 5 of the Project (“Contingent Emergency Response Part”), the Recipient shall ensure that:
 - (a) a manual (“CERC Manual”) is prepared and adopted in form and substance acceptable to the Association, which shall set forth detailed implementation arrangements for the Contingent Emergency Response Part, including: (i) any structures or institutional arrangements for

coordinating and implementing the Contingent Emergency Response Part; (ii) specific activities which may be included in the Contingent Emergency Response Part, Eligible Expenditures required therefor (“Emergency Expenditures”), and any procedures for such inclusion; (iii) financial management arrangements for the Contingent Emergency Response Part; (iv) procurement methods and procedures for the Contingent Emergency Response Part; (v) documentation required for withdrawals of Financing amounts to finance Emergency Expenditures; (vi) a description of the environmental and social assessment and management arrangements for the Contingent Emergency Response Part; and (vii) a template Emergency Action Plan;

- (b) the Emergency Action Plan is prepared and adopted in form and substance acceptable to the Association;
 - (c) the Emergency Response Part is carried out in accordance with the CERC Manual and the Emergency Action Plan; provided, however, that in the event of any inconsistency between the provisions of the CERC Manual or the Emergency Action Plan and this Agreement, the provisions of this Agreement shall prevail; and
 - (d) neither the CERC Manual or the Emergency Action Plan is amended, suspended, abrogated, repealed, or waived without the prior written approval by the Association.
2. The Recipient shall ensure that the structures and arrangements referred to in the CERC Manual are maintained throughout the implementation of the Contingent Emergency Response Part, with adequate staff and resources satisfactory to Association.
3. The Recipient shall ensure that:
- (a) the environmental and social instruments required for the Contingent Emergency Response Part are prepared, disclosed, and adopted in accordance with the CERC Manual and the ESCP, and in form and substance acceptable to the Association; and
 - (b) the Contingent Emergency Response Part is carried out in accordance with the environmental and social instruments in a manner acceptable to the Association.
4. Activities under the Contingency Emergency Response Part shall be undertaken only after an Eligible Crisis or Emergency has occurred.

Section II. Project Monitoring, Reporting and Evaluation

The Recipient shall furnish to the Association each Project Report not later than three months after the end of each calendar year, covering the calendar year.

Section III. 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 Credit A Allocated (expressed in SDR)	Amount of Credit B-SML Allocated (expressed in SDR)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Eligible Expenditures for PBCs (EEPBCs) under Parts 1 and 2 of the Project		22,800,000	100%
(2) Goods, works, non-consulting services, consulting services, Training, Incremental Operating Costs under Parts 1, 2, 3, and 4 of the Project	38,000,000	53,100,00	100%
(3) Emergency expenditures	0	0	100%
TOTAL AMOUNT	38,000,000	75,900,000	

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;

- (b) for Emergency Expenditures under Category (3), unless and until all of the following conditions have been met in respect of said expenditures:
 - (i) (A) the Recipient has determined that an Eligible Crisis or Emergency has occurred, and has furnished to the Association a request to withdraw amounts under Category (3); and (B) the Association has agreed with such determination, accepted said request and notified the Recipient thereof; and
 - (ii) the Recipient has adopted the CERC Manual and Emergency Action Plan, in form and substance acceptable to the Association.

C. Performance-based Conditions (“PBCs”)

1. With respect to PBCs related to Category (1), the Recipient may request withdrawals of Financing for floating PBCs for the relevant expenditures (EEPBCs) prior to the PBCs having been met, provided that the Recipient shall: (a) meet such PBCs no later than the Closing Date; and (b) submit to the Association evidence satisfactory to the Association of such PBCs having been met no later than the Disbursement Deadline Date, after furnishing evidence satisfactory to the Association in accordance with the Verification Protocols agreed with the Association and as verified by the Recipient, and as set forth in the POM. If by or before the Disbursement Deadline Date the Recipient has failed to provide the Association evidence satisfactory to the Association that the floating PBCs related to Category (1) have been fully met, the Recipient shall, upon notice from the Association, promptly refund to the Association the Withdrawn Credit Balance related to such Category (1). Except as the Association may otherwise determine, the Association shall cancel all amounts refunded pursuant to this Section.
2. Notwithstanding the provisions of Section III.C.1 above of this Schedule 2, with respect to time-bound PBCs under Category (1), the Recipient may request withdrawals of Financing for the relevant expenditures (EEPBCs) prior to the time-bound PBCs having been met, provided that the Recipient shall: (a) meet such PBCs no later than December 31, 2026; and (b) submit to the Association evidence satisfactory to the Association of said PBCs having been met no later than April 30, 2027, after furnishing evidence satisfactory to the Association of such PBCs having been met as set forth in Schedule 4 to this Agreement in form and substance satisfactory to the Association and in accordance with the Verification Protocols agreed with the Association and as verified by the Recipient and as set forth in the POM. If, at any time, the Association determines that any portion of the amounts disbursed under Category (1) was not in compliance with the provisions of this Section, the Recipient shall promptly refund any such amount to the Association as the Association shall specify by notice to the Recipient.

3. Notwithstanding the provisions of Section III.C.1, III.C.2 and III.C.2 above of this Schedule 2, the amount of the Financing to be withdrawn upon the verified achievement of any PBC shall not exceed the lesser of: (a) the amount allocated against such PBC; and (b) the amount of the PBC expenditures (EEPBCs) under Category (1), including those incurred but not yet paid by the proceeds of the Financing, at the date of submission of such withdrawal application.

E. Closing Date

1. The Closing Date is December 31, 2028.

Section IV. Other Undertakings

A. The Recipient shall:

- (a) ensure that the collection, use and processing (including transfers to third parties) of any Personal Data collected under this Project shall be done in accordance with applicable national law and the best international practice, ensuring legitimate, appropriate, and proportionate treatment of such data;
- (b) in the event that, during the implementation of the Project, the approval of any new legislation regarding Personal Data protection may have an impact on the activities financed by the Project, ensure that a technical analysis of said impact is conducted, and that the necessary recommendations and adjustments, are implemented, as appropriate; and
- (c) 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 Project, ensure that such information, report or document does not include Personal Data.

SCHEDULE 3

Repayment Schedule

I. REPAYMENT OF CREDIT A

Date Payment Due	Principal Amount of the Credit A repayable (expressed as a percentage)*
On each June 15 and December 15:	
commencing December 15, 2029, to and including June 15, 2049	1.65%
commencing December 15, 2049, to and including June 15, 2054	3.40%

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

II. REPAYMENT OF CREDIT B-SML

Date Payment Due	Principal Amount of the Credit B-SML repayable (expressed as a percentage)*
On each June 15 and December 15:	
commencing December 15, 2030, to and including December 15, 2035	8.33334%
On June 15, 2036	8.33326%

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

SCHEDULE 4

**Performance Based Conditions and Allocated Amounts under Category (1)
of the Project**

PERFORMANCE-BASED CONDITIONS	Action to be Completed	Total Amount of the Financing Allocated (expressed in SDR)
PBC 1. Number of PMCI meeting Minimum PMCI Capabilities	825 PMCI meet the Minimum PMCI Capabilities Baseline: 550 PMCI Scalable: Yes Formula: SDR 41,454.54 x unitary increase in cumulative number of PMCI meeting Minimum PMCI Requirements Time-bound: No. Floating: Yes	11,400,000
PBC 2. Revision and adoption by MoH of list of essential medicines at different levels of care	MoH has issued a circular endorsing the list of essential medicines for the country Scalable: No Time-bound: Yes. To be met by December 31, 2026	3,800,000
PBC 3. Development and endorsement by MoH of Manual / Guideline and SOPs for NCD screening, diagnosis, treatment, and management, including referral and counter-referral pathways	MoH has issued a circular with the Manual / Guideline and SOPs for NCD screening, diagnosis, treatment and management, including referral and counter-referral pathways Scalable: No Time-bound: Yes, to be meet by December 31, 2026	3,800,000
PBC 4. Number of PMCI implementing the Safe Drug Dispensing Practices	825 PMCI are implementing the Safe Drug Dispensing Practices Scalable: Yes Baseline: 0 PMCI Formula: SDR 4,606.06 x additional PMCI implementing Safe Drug Dispensing Practices Time-bound: No. Floating: Yes	3,800,000

APPENDIX

Definitions

1. “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.
2. “Availability of Essential Medicines” means availability at each PMCI of a minimum stock of essential medicines meeting national quality standards.
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. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
5. “CERC Manual” means the manual referred to in Section I. E.1(a) of Schedule 2 to this Agreement, as such manual may be updated from time to time with the agreement of the Association, and which is an integral part of the Operational Manual.
6. “Contingent Emergency Response Part” means any activity or activities to be carried out under Part 5 of the Project to respond to an Eligible Crisis or Emergency.
7. “Credit” means the credit in the amount referenced in Section 2.01 of this Agreement and the Credit for purposes of paragraph 25 of the Appendix to the General Conditions.
8. “Directorate of Healthcare Quality and Safety” means the unit within the MoH in charge of developing policies and guidelines and providing technical direction and strategy and monitoring and evaluation.
9. “Disbursement Deadline Date” means the final date, established by the Association, for the receipt by the Association of applications for withdrawal and supporting documentation.
10. “Eligible Crisis or Emergency” means an event that has caused, or is likely to imminently cause, a major adverse economic and/or social impact to the Recipient, associated with a natural or man-made crisis or disaster.

11. “Eligible Expenditures for PBCs” and “EEPBCs” each means the costs of goods, works, non-consulting services, consulting services, Training, and Incremental Operating Costs, for PBCs for the Project procured and implemented in line with agreed procedures acceptable to the Association and as ascertained in the interim unaudited financial report submitted for disbursement.
12. “Emergency Action Plan” means the plan referred to in Section I. E.1 of Schedule 2 to this Agreement, detailing the activities, budget, implementation plan, and monitoring and evaluation arrangements, to respond to the Eligible Crisis or Emergency.
13. “Emergency Expenditures” means any of the eligible expenditures set forth in the CERC Manual referred to in Section I. E.1 of Schedule 2 to this Agreement and required for the Contingent Emergency Response Part.
14. “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated May 24, 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.
15. “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”; (x) “Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure”; effective on October 1, 2018, as published by the Association.
16. “GBV” means gender-based violence.

17. “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).
18. “Incremental Operating Costs” means the incremental expenditures incurred on account of the management of the Project, including maintenance of vehicles and equipment, vehicle rental charges (including passenger insurance), fuel, office supplies, utilities, consumables, office rental and maintenance, telephone and other communications charges, bank charges, advertising expenses, travel expenses (including per diems, accommodation), and salaries, allowances and benefits of selected contracted staff, required for the Project, but excluding salaries and salary top-ups of civil servants of the Recipient and other regular Government staff of Recipient.
19. “IT” means information technology.
20. “Minimum HRH Staff” means at least two medical officers and one nursing officer per PMCI.
21. “Minimum PMCI Capabilities” means satisfaction by a PMCI of the Minimum Drug Capabilities in addition to at least three out of the remaining four minimum capabilities listed in (ii) to (v) of the definition of PMCI Capabilities, as further described in the POM.
22. “MoF” or “Ministry of Finance” each means the Recipient’s Ministry of Finance, Economic Stabilization and National Policies, or any successor thereto.
23. “MoH” means the Recipient’s Ministry of Health, or any successor thereto.
24. “MOH Office” means a medical officer of health unit.
25. “National Steering Committee” means the committee established and maintained pursuant to Section I.A.2 of Schedule 2 to this Agreement, chaired by the Secretary of the MoH with the participation of the Provincial Chief Secretaries and the Provincial Directors of Health as further described in the POM.
26. “NCD” means non-communicable disease.
27. “PC” means a Provincial Council, a body having jurisdiction over each of the provinces as provided for in the 13th amendment to the Constitution of the Recipient.
28. “Performance Based Conditions” and “PBCs” each means the conditions set forth in Schedule 4 to this Agreement.

29. “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.
30. “PHC” means primary health care.
31. “PMCI” means a primary medical care institution.
32. “PMCI Capabilities” means for each PMCI, as further described in the POM:
 - (i) Availability of Essential Medicines;
 - (ii) Minimum HRH Staff;
 - (iii) minimum operational equipment;
 - (iv) laboratory testing capabilities, either with an on-site laboratory or through a network laboratory; and
 - (v) capacity to provide acute emergency care.
33. “POM” and “Project Operations Manual” each means the project operations manual described in Schedule 2, Section I of this Agreement.
34. “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.
35. “Project Coordination and Management Unit” and “PCMU” each means the project management unit referred to in Section I.A.1 of Schedule 2 to this Agreement.
36. “Project Provincial Working Committee” means a committee established and maintained by each Province pursuant to Section I.B.1(c) of Schedule 2 to this Agreement, to provide oversight, monitor implementation progress and provide overall guidance on the provincial level Project activities, as further described in the POM.
37. “Province” means any of the provinces in the territory of the Recipient as provided in the 13th amendment to the Constitution of the Recipient.

38. “Provincial Departments of Health Services” means the administrative unit within each provincial level, responsible for the management of health services.
39. “Regional Director of Health Services Offices” means the administrative units within each district level that provide technical guidance and support to the Provincial Departments of Health Services.
40. “Safe Drug Dispensing Practices” means: (i) labeling key information of medicines in all English, Sinhala, and Tamil; (ii) segregation of look-alike medication at all levels of dispensing (drugstore, ward, pharmacies); and (iii) separation and labeling of high alert medication.
41. “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.
42. “SOP” means standard operations procedures.
43. “Training” means the costs of training activities, based on annual work plans and budgets approved by the Association, and attributable to seminars, workshops, and domestic and overseas study tours, along with travel and subsistence allowances for training participants, services of trainers, rental of training facilities, preparation and reproduction of training materials, and other activities directly related to course preparation and implementation.
44. “Verification Protocol” means the Recipient’s verification protocol, as included in the POM and acceptable to the Association, setting forth the detailed criteria for the achievement of PBCs and means by which the same will be verified under the Project, as such verification protocol may be amended from time to time with the prior written agreement of the Association.