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ESMAP GRANT NUMBER TF0C2226-ST

# **Energy Sector Management Assistance Program Grant Agreement**

**(Third Additional Financing to the COVID-19 Emergency Response Project)**

**between**

**DEMOCRATIC REPUBLIC OF SAO TOME AND PRINCIPE**

**and**

**INTERNATIONAL DEVELOPMENT ASSOCIATION  
acting as administrator of the Energy Sector Management Assistance Program  
Umbrella 2.0 Multi-Donor Trust Fund**

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**ESMAP GRANT NUMBER TF0C2226-ST**

**ENERGY SECTOR MANAGEMENT ASSISTANCE PROGRAM  
GRANT AGREEMENT**

AGREEMENT dated as of the Signature Date between DEMOCRATIC REPUBLIC OF SAO TOME AND PRINCIPE (“Recipient”) and INTERNATIONAL DEVELOPMENT ASSOCIATION (“Bank”), acting as administrator of the Energy Sector Management Assistance Program Umbrella 2.0 Multi-Donor Trust Fund (“ESMAP”), for the purpose of providing additional financing for the Original Project and activities related to the Original Project (as defined in the Appendix to this Agreement). 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 this Agreement (“Project”) and the MPA Program. To this end, the Recipient shall carry out the Project through the Ministry of Health in accordance with the provisions of Article II of the Standard Conditions and Schedule 2 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 three hundred thousand United States Dollars (\$300,000) (“Grant”) to assist in financing the Project.
- 3.02. The Recipient may withdraw the proceeds of the Grant in accordance with Section III of Schedule 2 to this Agreement.
- 3.03. The Grant is funded out of the abovementioned trust fund for which the Bank receives periodic contributions from the donors 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 donors 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 — Additional Remedies**

- 4.01. The Additional Events of Suspension referred to in Section 4.02 (k) of the Standard Conditions consist of the following:
- (a) AFAP Legislation has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely AFAP's ability to perform any of its obligations under the Subsidiary Agreement.
  - (b) The Recipient has taken or permitted to be taken any action which would prevent or interfere with the performance by AFAP of its obligations under the Subsidiary Agreement.

#### **Article V — Effectiveness; Termination**

- 5.01. This Agreement shall not become effective until evidence satisfactory to the Bank has been furnished to the Bank that the conditions specified below have been satisfied.
- (a) The execution and delivery of this Agreement on behalf of the Recipient have been duly authorized or ratified by all necessary governmental action.
  - (b) The Subsidiary Agreement has been executed and delivered and all conditions precedent to its effectiveness or to the right of AFAP to make withdrawals under it (other than the effectiveness of this Agreement) have been fulfilled.
  - (c) The Project Operations Manual has been adopted by the Recipient in form and substance satisfactory to the Bank.
  - (d) The Financing Agreement has been executed and delivered and all conditions precedent to its effectiveness or to the right of the Recipient to make withdrawals under it (other than the effectiveness of this Agreement) have been fulfilled.
  - (e) The GCF Financing Agreement has been executed and delivered and all conditions precedent to its effectiveness or to the right of the Recipient to make withdrawals under it (other than the effectiveness of this Agreement) have been fulfilled.

- 5.02. By signing the Grant Agreement, the Recipient shall be deemed to represent and warrant that on the Signature Date, the Grant 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 such Grant 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 the Grant Agreement is legally binding upon the Recipient in accordance with its terms.
- 5.03. 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 5.01 (“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.
- 5.04. *Termination for Failure to Become Effective.* This Agreement and all obligations of the parties under it shall terminate if it has not entered into effect by the date 120 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 later date.

#### **Article VI — Recipient’s Representative; Addresses**

- 6.01. The Recipient’s Representative referred to in Section 7.02 of the Standard Conditions is its Minister of Planning, Finance and Blue Economy.
- 6.02. For purposes of Section 7.01 of the Standard Conditions:
- (a) the Recipient’s address is:
- Ministry of Planning, Finance and Blue Economy  
Agua Grande  
Caixa Postal No. 168  
Sao Tome, Republic of Sao Tome and Principe; and
- (b) the Recipient’s Electronic Address is:
- Facsimile:  
  
+239-2222182

6.03. 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:

Telex:	Facsimile:
248423 (MCI) or 64145 (MCI)	1-202-477-6391

AGREED as of the Signature Date.

**DEMOCRATIC REPUBLIC OF SAO TOME AND PRINCIPE**

**By**



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

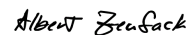
**Name:** H.E. Ginésio Valentim Afonso da Mata

**Title:** Ministro das Finanças

**Date:** 11-Oct-2023

**INTERNATIONAL DEVELOPMENT ASSOCIATION  
acting as administrator of the Energy Sector Management  
Assistance Program Umbrella 2.0 Multi-Donor Trust Fund**

**By**



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

**Name:** Albert zeufack

**Title:** Country Director

**Date:** 09-Oct-2023

## SCHEDULE 1

### Project Description

The objectives of the Project are to prevent, detect and respond to the threat posed by COVID-19, strengthen national systems for public health preparedness in the Recipient's territory, and in case of an Eligible Crisis or Emergency, respond promptly and effectively to it.

The Project constitutes a phase of the MPA Program, and consists of the following parts:

#### A. Emergency COVID-19 Response

Support for the implementation of containment strategies under the STP COVID Preparedness and Response Plan, including:

1. (1) case detection, confirmation, contact tracing, recording and reporting; (2) risk communication, community engagement for vaccine demand creation and reduction of vaccine hesitancy, and promotion of social distancing; (3) strengthening health systems capacity to respond to COVID-19; (4) development and implementation of a COVID-19 national deployment and vaccination plan, and strengthening the Project COVID-19 Vaccine supply chain, including cold chain; and (5) acquisition, delivery and storage of Project COVID-19 Vaccines and required consumables, all through, *inter alia*, the provision of: (a) laboratory equipment, reagents, testing kits and other consumable supplies for laboratories; (b) drugs, nutrition support, medical supplies and equipment for case management and prevention; (c) training and technical expertise to enhance clinical capacity and strengthen community disease surveillance and multi-stakeholder commitment; (d) technical assistance for updating legislation to ensure implementation of COVID-19 national deployment and vaccination plan, and provision of capacity building on plan implementation; and (e) support for strengthening and adapting pharmacovigilance system to detect adverse effects following Project COVID-19 Vaccine immunization; and
2. (1) solarization of selected health facilities and acquisition and installation of resilient and green cold chains and refrigeration; and (2) deployment of electric vehicles and charging infrastructure.

**B. Strengthening Multi-Sector, National Institutions and Platforms for Policy Development and Coordination of Prevention and Preparedness Including One Health Approach**

1. Support for the coordination of the Recipient's public health emergency response through, *inter alia*: (a) preparation of standard operating procedures, job descriptions, roles and responsibilities; (b) establishment of an emergency operations center within the Ministry of Health to coordinate multisectoral COVID-19 preparedness and response activities; and (c) establishment of multi-sectoral coordination committees for COVID-19 response.
2. Strengthening the One Health Approach through the development of a uniform disease information system in the Recipient's territory to provide better analytical capacity for global disease information sharing and to include zoonotic disease information.

**C. Implementation management and monitoring and evaluation**

Support for implementation management and monitoring and evaluation through, *inter alia*: (a) strengthening of public structures for the coordination and management of Project implementation, monitoring and evaluation, financial management and procurement; and (b) strengthening the Recipient's institutional capacity on clinical and public health research, including veterinary and joint-learning across and within country.

**D. Contingent Emergency Response Component**

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



## SCHEDULE 2

### Project Execution

#### **Section I. Institutional and Other Arrangements**

##### **A. Institutional Arrangements**

1. Without limitation to the provisions of Section 3.01, the Recipient, through the Ministry of Health, and with the assistance of AFAP and the WHO, shall carry out the Project in accordance with this Agreement, the Subsidiary Agreement, the Project Operations Manual, and the Vaccine and Distribution Manual, and for this purpose, the Recipient, through the Ministry of Health, shall maintain throughout Project implementation, staff with functions, responsibilities and adequate resources, all acceptable to the Bank.
2. The Recipient, through the Ministry of Health, shall maintain throughout Project implementation a steering committee (“Steering Committee”) with a composition and terms of reference acceptable to the Bank, to be responsible of providing oversight and strategic guidance in the implementation of the Project.

##### **B. Subsidiary Agreement**

1. Without limitation to the provisions of Section 3.01, the Recipient, through the Ministry of Finance and the Ministry of Health, shall cause AFAP to assist in the implementation of the Project pursuant to an agreement (“Subsidiary Agreement”) to be entered into between the Recipient, through the Ministry of Finance and the Ministry of Health, and AFAP, under terms and conditions acceptable to the Bank, which shall include, *inter alia*:
  - (a) the roles and responsibilities of the Recipient, through the Ministry of Health and the Ministry of Finance, and AFAP in connection with Project implementation;
  - (b) the obligation of the Recipient, through the Ministry of Finance, to make a portion of the proceeds of the Grant available to AFAP for the purposes of carrying out the procurement, disbursement, financial management, monitoring, evaluation, reporting, and environmental and social standards functions under the Project, and provide capacity building and technical support to the Ministry of Health in the implementation of the Project;
  - (c) the right of the Recipient, through the Ministry of Finance, to suspend or terminate the right of AFAP to use said proceeds of the Grant, or to obtain a refund of all or any part of the amount of the Grant then withdrawn, upon

AFAP's failure to perform any of the obligations under the Subsidiary Agreement;

- (d) the obligation of the Recipient, through the Ministry of Health, to provide technical support to AFAP necessary for the implementation of the Project;
- (e) the obligation of AFAP to:
  - (i) update and adopt the Project Operations Manual in accordance with Section I.C.1 of this Schedule;
  - (ii) carry out the procurement and financial functions under the Project, and provide capacity building and technical support to the Ministry of Health in the implementation of the Project in accordance with the Project Operations Manual and the Vaccine Delivery and Distribution Manual, as applicable;
  - (iii) not later than two months after the Effective Date, update and customize the accounting software to maintain separate records and ledger accounts for the Project;
  - (iv) not later than two months after the Effective Date, hire one qualified accountant;
  - (v) not later than six months after the Effective Date, hire external auditors;
  - (vi) carry out its functions under the Project with due diligence and efficiency and in accordance with sound technical, financial and managerial standards and practices satisfactory to the Bank, including in accordance with the provisions of the Anti-Corruption Guidelines applicable to recipients of loan proceeds other than the Recipient;
  - (vii) provide, promptly as needed, the resources required for the purpose;
  - (viii) procure the goods, works and services to be financed out of the Grant in accordance with the provisions of this Agreement;
  - (ix) (1) maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the Bank, both in a manner adequate to reflect the operations, resources and expenditures related to the

Project; and (2) at the Bank's or the Recipient's request, through the Ministry of Health, have such financial statements audited by independent auditors acceptable to the Bank, in accordance with consistently applied auditing standards acceptable to the Bank, and promptly furnish the statements as so audited to the Recipient, through the Ministry of Health, and the Bank;

- (x) enable the Recipient, through the Ministry of Health, and the Bank to inspect any relevant records and documents; and
  - (xi) prepare and furnish to the Recipient, through the Ministry of Health, and the Bank all such information as the Recipient, through the Ministry of Health, or the Bank shall reasonably request relating to the foregoing.
2. The Recipient shall exercise its rights under the Subsidiary Agreement in such manner as to protect the interests of the Recipient and the Bank and to accomplish the purposes of the Grant. Except as the Bank shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive the Subsidiary Agreement or any of its provisions.

**C. Project Operations Manual**

1. The Recipient, through the Ministry of Health, shall cause AFAP to update the operations manual ("Project Operations Manual"), acceptable to the Bank, which shall contain detailed work flow, methods and procedures for the implementation of the Project, which shall include *inter alia*: (a) administration and coordination arrangements, including placement of necessary human resources for Project implementation; (b) performance indicators of the Project; (c) monitoring and evaluation; (d) financial management guidelines and procedures; (e) corruption and fraud measures; (f) implementation modalities for each Part of the Project; (g) roles and responsibilities of various agencies and stakeholders in the implementation of the Project; (h) procedures for processing and collection of Personal Data in accordance with the National Law on Personal Data Protection and good international practice; and (i) measures to comply with the Gender Action Plan.
2. The Recipient, through the Ministry of Health, shall, and shall cause AFAP to, adopt and carry out the Project in accordance with this Agreement and the Project Operations Manual. Except as the Bank shall otherwise agree in writing, the Recipient, through the Ministry of Health, shall not, and shall cause AFAP not to, assign, amend, abrogate or waive any provision of the Project Operations Manual. In the event of any conflict between the provisions of the Project Operations Manual and this Agreement, those of this Agreement shall prevail.

**D. Environmental and Social Standards**

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

## **Section II. Project Monitoring, Reporting and Evaluation**

1. The Recipient, through the Ministry of Health, shall ensure that each Project Report is furnished to the Bank not later than one month after the end of each calendar semester, covering the calendar semester.
2. The Recipient, through the Ministry of Health, shall cause AFAP to provide to the Recipient not later than 5 months after the Closing Date, for incorporation in the report referred to in Section 2.6(c) of the Standard Conditions all such information as the Recipient or the Bank shall reasonably request for the purposes of such Section.

## **Section III. Withdrawal of Grant Proceeds**

### **A. General**

1. 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) Goods, works, non-consulting services and consulting services under Part A.II of the Project	300,000	100%
<b>TOTAL AMOUNT</b>	<b>300,000</b>	

**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 June 30, 2025.

## APPENDIX

### Definitions

1. “AFAP” means *Agência Fiduciária Administração Projectos*, the Recipient’s Fiduciary and Administrative Agency for Projects, established pursuant to the AFAP Legislation, or any successor thereto acceptable to the Bank.
2. “AFAP Legislation” means the Recipient’s Decree-Law No. 10/2018, dated July 4, 2018, published in the Recipient’s official Gazette (*Diário da República*) No. 100, dated July 19, 2018.
3. “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.
4. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
5. “COVID-19” means coronavirus disease.
6. “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.
7. “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated July 31, 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 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.
8. “Environmental and Social Standards” or “ESSs” means, collectively: (i) “Environmental and Social Standard 1: Assessment and Management of Environmental and Social Risks and Impacts”; (ii) “Environmental and Social Standard 2: Labor and Working Conditions”; (iii) “Environmental and Social Standard 3: Resource Efficiency and Pollution Prevention and Management”; (iv) “Environmental and Social Standard 4: Community Health and Safety”; (v) “Environmental and Social Standard 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement”; (vi) “Environmental and Social Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources”; (vii) “Environmental and Social Standard 7: Indigenous Peoples/Sub-

Saharan African Historically Underserved Traditional Local Communities”; (viii) “Environmental and Social Standard 8: Cultural Heritage”; (ix) “Environmental and Social Standard 9: Financial Intermediaries”; and (x) “Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure”; effective on October 1, 2018, as published by the Bank.

9. "Financing Agreement" means the financing agreement for the Project between the Recipient and the World Bank, dated the same date as this Agreement, as such financing agreement may be amended from time to time. "Financing Agreement" includes all appendices, schedules and agreements supplemental to the Financing Agreement.
10. "GCF" means Green Climate Fund.
11. "GCF Financing Agreement" means the GCF financing agreement for the Project between the Recipient and the World Bank, dated the same date as this Agreement, as such financing agreement may be amended from time to time. "GCF Financing Agreement" includes all appendices, schedules and agreements supplemental to the GCF Financing Agreement.
12. "Ministry of Finance" means the Recipient's Ministry of Planning, Finance and Blue Economy, or any successor thereto acceptable to the Bank.
13. "Ministry of Health" means the Recipient's Ministry of Health, or any successor thereto acceptable to the Bank.
14. "MPA Program" means the global emergency multiphase programmatic approach program designed to assist countries to prevent, detect and respond to the threat posed by COVID-19 and strengthen national systems for public health preparedness.
15. "One Health Approach" means the collaborative efforts of multiple disciplines working locally, nationally, and globally, to attain optimal health for people, animals and our environment.
16. "Original Financing Agreement" means the financing agreement for the COVID-19 Emergency Response Project between the Democratic Republic of Sao Tome and Principe and the International Development Association, dated October 6, 2020 (Grant No. D606-ST), as amended. "Original Financing Grant Agreement" includes all appendices, schedules and agreements supplemental to the Original Financing Agreement.
17. "Original Project" means the Project described in the Original Financing Agreement.



18. “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.
19. “Project COVID-19 Vaccine” means a vaccine for the prevention of COVID-19, authorized by the Recipient’s national regulatory authority for distribution, marketing and administration within the territory of the Recipient, and purchased or deployed under the Project; “Project COVID-19 Vaccines” means the plural thereof.
20. “Project Implementing Entity” means AFAP.
21. “Project Operations Manual” means the manual referred to in Section I.C of Schedule 2 to this Agreement.
22. “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.
23. “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.
24. "Steering Committee" means the committee referred to in Section I.A.3 of Schedule 2 to this Agreement.
25. “Subsidiary Agreement” means the agreement referred to in Section I.B of Schedule 2 to this Agreement.