
GRANT NUMBER E228-ST

Financing Agreement

**(Health Emergency Preparedness, Response and Resilience Program
Using the Multiphase Programmatic Approach)**

between

DEMOCRATIC REPUBLIC OF SAO TOME AND PRINCIPE

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

GRANT NUMBER E228-ST

FINANCING AGREEMENT

AGREEMENT dated as of the Signature Date between DEMOCRATIC REPUBLIC OF SAO TOME AND PRINCIPE (“Recipient”) and INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”).

WHEREAS:

- A. The Participating Countries, including the Recipient, and the Regional Bodies, have agreed to participate in the MPA Program;
- B. The Recipient, having satisfied itself as to the feasibility and priority of the Project, has requested the Association to assist in the financing of the project described in Schedule 1 to this Agreement (“Project”);
- C. By a financing agreement to be entered into on or about the date hereof between the Federal Democratic Republic of Ethiopia and the Association (the “Ethiopia Financing Agreement”), the Association will extend to the Federal Democratic Republic of Ethiopia financing to assist the Federal Democratic Republic of Ethiopia in financing part of the cost of activities related to the MPA Program on the terms and conditions set forth in the Ethiopia Financing Agreement;
- D. By a financing agreement to be entered into on or about the date hereof between the Republic of Kenya and the Association (the “Kenya Financing Agreement”), the Association will extend to the Republic of Kenya financing to assist the Republic of Kenya in financing part of the cost of activities related to the MPA Program on the terms and conditions set forth in the Kenya Financing Agreement;
- E. By a financing agreement to be entered into on or about the date hereof between the East, Central and Southern Africa-Health Community (“ECSA-HC”) and the Association (the “ECSA-HC Financing Agreement”), the Association will extend to ECSA-HC financing to assist ECSA-HC in financing part of the cost of activities related to the MPA Program on the terms and conditions set forth in the ECSA-HC Financing Agreement;
- F. By a financing agreement to be entered into on or about the date hereof between the Intergovernmental Authority on Development (IGAD) and the Association (the “IGAD Financing Agreement”), the Association will extend to IGAD financing to assist IGAD in financing part of the cost of activities related to the MPA Program on the terms and conditions set forth in the IGAD Financing Agreement; and

WHEREAS the Association has also agreed, on the basis, *inter alia*, of the foregoing, to extend the financing provided for in Article II of this Agreement to the Recipient upon the terms and conditions set forth in this Agreement.

NOW THEREFORE the Association and the Recipient 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 a grant, which is deemed as Concessional Financing for purposes of the General Conditions, in an amount equivalent to six million eight hundred thousand Special Drawing Rights (SDR 6,800,000) (“Financing”), to assist in financing the project described in Schedule 1 to this Agreement (“Project”).
- 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 Payment Dates are June 15 and December 15 in each year.
- 2.05. The Payment Currency is Euro.

ARTICLE III — PROJECT

- 3.01. The Recipient declares its commitment to the objectives of the Project and the MPA Program. To this end, the Recipient shall carry out the Project through the Ministry of Health and with the assistance of Agência Fiduciária Administração Projectos (AFAP), in accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement, and the Subsidiary Agreement.

ARTICLE IV — REMEDIES OF THE ASSOCIATION

- 4.01. The Additional Events of Suspension consist of the following:
 - (a) The AFAP Legislation has, in the opinion of the Association, 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 Project.

- (b) The Recipient has taken or permitted to be taken any action which, in the opinion of the Association, would prevent or interfere with the performance by AFAP of its obligations under the Project.

ARTICLE V — EFFECTIVENESS; TERMINATION

- 5.01. The Additional Conditions of Effectiveness consist of the following:
 - (a) the Subsidiary Agreement has been executed and delivered in form and substance satisfactory to the Association 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;
 - (b) the Recipient has adopted the Project Operations Manual and, through AFAP, the AFAP Financial Management Manual, all in form and substance satisfactory to the Association;
 - (c) the Recipient has duly adjusted the instrument establishing the PCU to include the Project, in form and substance satisfactory to the Association, and has recruited or appointed a Project coordinator with terms of reference, qualifications and experience satisfactory to the Association; and
 - (d) the Recipient has adapted the grievance mechanism to the Project and adopted it, in form and substance satisfactory to the Association and in accordance with the ESCP.
- 5.02. The Effectiveness Deadline is the date ninety (90) days after the Signature Date.
- 5.03. 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 its minister responsible for finance.

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

(a) the Recipient's address is:

Ministry of Planning, Finance and Blue Economy
Agua Grande
Caixa Postal No. 168
São Tomé, Republic of São Tomé and Príncipe; and

(b) the Recipient's Electronic Address is:

E-mail: mpf.geral@finances.gov.st

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:

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

AGREED as of the Signature Date.

DEMOCRATIC REPUBLIC OF SAO TOME AND PRINCIPE

By



Authorized Representative

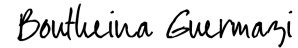
Name: Ginesio da Mata

Title: Ministro das Finanças

Date: 26-out-2023

INTERNATIONAL DEVELOPMENT ASSOCIATION

By



Authorized Representative

Name: Boutheina Guerhazi

Title: Director, Regional Integration

Date: 24-Oct-2023

SCHEDULE 1

Project Description

The objective of the Project is to strengthen health system resilience and multisectoral preparedness and response to Health Emergencies in Sao Tome and Principe.

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

Part 1: Strengthening the Preparedness and Resilience of the Health System to manage Health Emergencies (HEs)

- 1.1. Supporting multisectoral planning, financing, and governance for improved resilience to HEs through: (a) technical assistance for performing legal analysis (legal mapping and legal assessment) in all sectors and across government levels and developing and/or revising the necessary legal instruments for IHR implementation; (b) establishing the National IHR Focal Point with sufficient authority, institutional arrangements, and instruments; (c) development, financing and implementation of a national multisectoral action plan for IHR incorporating national action plans for health security (NAPHS) and based on recent capacity and performance assessments; (d) development, implementation, and evaluation of multisectoral and multidisciplinary coordination and communication mechanisms for IHR capacities at national and subnational levels; (e) supporting the establishment of infection prevention and control national programs at the health facility and community level; (f) financing WASH infrastructure investments at health facilities and in the community, at national and sub-national level; (g) development of a climate and health adaptation strategy; (h) development of action and contingency plans for climate change related disasters; (i) development of a national plan for climate change resilient healthcare infrastructure; and (j) development and implementation of a systematic assessment of gender gaps for an action plan for gender equity and equality in HEs.
- 1.2. Supporting health workforce development by: (a) supporting the healthcare workforce mapping, planning and recruitment based on the regional disease profile in line with national needs including identifying gender gaps and dynamics in the healthcare workforce; (b) development and implementation of a national 10-year costed human resources for health action plan; (c) strengthening human resources in the relevant sectors at the national, subnational and primary public health levels, to detect, assess, notify, report and respond to events according to IHR provisions; (d) development and implementation of a national multisectoral workforce surge strategic plan in emergencies that is functional at national and subnational levels, with procedures and adequate capacity to send and receive multidisciplinary personnel within the country (shifting resources), including the government and nongovernmental partners workforce as applicable; (e) enhancement of health

workforce training, motivation and retention in line with regional approaches and regulations; and (f) expanding the field epidemiology training program to subnational levels and with a focus on female candidates, as well as training on climate emergency preparedness and response and on the impacts of climate change.

- 1.3. Supporting access to quality health commodities, including building capacity for local vaccine and pharmaceutical manufacturing through: (a) procurement of routine immunization vaccines and commodities; (b) development of emergency logistics and supply chain management system and mechanisms to provide adequate support for HEs at national and subnational levels, including maternal and reproductive supplies; and (c) establishment of stockpiles of emergency supplies and medicines based on priority listing adapted to the local context, risks, and vulnerability.
- 1.4. Supporting the digitalization of health sector processes and HE information systems through: (a) establishment of a national ehealth/ digital health strategy or framework; (b) establishment of integrated and interoperable health information systems to monitor health risks, public health events and their impacts on health systems and services; (c) investments in cutting-edge, cost-effective technologies for risk registering and profiling at all levels of healthcare provision for the populations served; (d) development of information systems for surveillance, laboratory, and service delivery; (e) collection, reporting and analysis of key demographic factors important for health; (f) technical assistance for the development of protocols, policies, frameworks or accepted processes in place to support secure cross-border data exchange and storage; and (g) improvements in the national digital health architecture and/or health information exchange in accordance with the IHR.

Part 2: Improving the detection of and response to HEs

- 2.1. Supporting the collaborative surveillance and laboratory diagnostics by: (a) at the national level, financing the acquisition of laboratory equipment and supplies and supporting staffing and training of national laboratory staff for quality laboratory diagnostic functions; (b) at a regional level, supporting the Recipient's increased access to public health and diagnostic laboratory testing through the transportation of samples and specimen and enhancing monitoring efforts through electronic data systems under the integrated disease surveillance and response framework; (c) financing the expansion and/or rehabilitation of existing diagnostic centers to ensure quality improvement of public health functions; (d) development and implementation of a national strategy, guidelines and/or standard operating procedures (SOPs) for surveillance at the national and subnational levels; (e) development of a multisectoral surveillance system for priority emerging and endemic zoonotic diseases at the national level, and of formal coordination mechanisms between the animal health, public health and environment sectors at

subnational levels; (f) implementation of a national AMR surveillance system collecting data on common pathogens in hospitalized and community patients, with an established network of surveillance sites, designated national reference laboratory for AMR, and a national coordinating center producing reports on AMR; (g) development of plans and capacity building to undertake rapid risk assessments of acute foodborne events at the national and subnational levels; (h) financing systematic referral and transport of specimens for diagnostics and/or confirmation of all priority diseases at all levels; (i) establishing an effective national diagnostic network across different administrative levels from national reference laboratories to primary levels facility laboratories; and (j) development of a surveillance platform for monitoring climate change related hazards.

- 2.2. Supporting emergency management, coordination, and essential health services by: (a) updating and/or developing cross-sectoral emergency preparedness and response plans (national and regional) for priority diseases and climate shocks; (b) regular testing, assessment, and improvements of HE contingency plans; (c) expansion of the health system surge capacity including the allocation and utilization of existing pre-identified structures and resources (at the national and regional level) for emergency response, infection prevention and control (IPC); (d) technical assistance for the establishment of national financing mechanisms for animal health and human HEs; (e) establishment of national clinical case management guidelines for priority health events for national and subnational levels; (f) establishment of national patient referral and counter-referral management system for the different levels of care and geographical locations in country; (g) development of a package of essential health services and plans/guidelines on continuity of essential health services in emergencies, including maternal, reproductive and neonatal care services, with mechanisms for monitoring service continuity during emergency at national and subnational levels; (h) establishment of national standards and resources for safe built environment in health care facilities, including appropriate infrastructure, materials and equipment for IPC, and standards to reduce overcrowding, and optimization of staffing levels in health care facilities, all according to WHO minimum requirements, and at national and subnational levels according to a national plan; and (i) development of an active national IPC program consistent with WHO IPC core components guidelines that leads implementation of the national IPC operational plan and guidelines nationwide using multimodal strategies, including health workers' training and monitoring and feedback in place.
- 2.3. Supporting risk communication and community engagement (RCCE), empowerment, and social protection for all HEs through: (a) development of RCCE plans, SOPs, guidelines, policies and procedures such as, multi-hazard and multisectoral plans for coordination of RCCE functions; (b) training of RCCE personnel, communication with other sectors, transparent and early/regular communication with target audiences through conventional media (print and broadcast), online and offline media monitoring to shape messages and strategies;

(c) establishing intermittent two-way community feedback communication channels; (d) collection of data from qualitative and quantitative sources including socio behavioral research of affected and at-risk populations, including by gender; (e) analysis and integration of social-behavioral and epidemiological data to inform decision-making; (f) establishing and/or strengthening structures and resources to disseminate and communicate information about HEs and strengthen platforms to engage with communities; and (g) mapping, engagement and activation of stakeholders at national and subnational levels including community influencers such as opinion and religious leaders, civil society and community based organizations as part of the emergency response system.

Part 3: Project Management

Supporting monitoring and evaluation and Project management through: (a) supporting data-based cross-border learning initiatives; (b) support for procurement, financial management, environmental and social aspects, monitoring and evaluation, and reporting through the provision of technical advisory services, training, operating costs, and acquisition of goods; and (c) support for cross border related administrative activities and collaboration with the Regional Bodies.

Part 4: Contingent 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. Project Coordination Unit

- (a) The Recipient, through the Ministry of Health, and with the assistance of AFAP, shall carry out the Project in accordance with this Agreement, the Subsidiary Agreement and the Project Operations Manual.
- (b) For this purpose, the Recipient, through the Ministry of Health, shall maintain throughout Project implementation the Project Coordination Unit (the "PCU") with a structure, staff, functions, responsibilities and adequate resources, all acceptable to the Association. The PCU shall be responsible for the day-to-day technical management and technical implementation of the Project; and for monitoring and evaluation as further described in the Project Operations Manual.

2. Project Steering Committee

No later than sixty days (60) from the Effective Date, the Recipient, through the Ministry of Health, shall adapt and maintain throughout Project implementation an steering committee ("Project Steering Committee"), for the purposes of: (a) overseeing and assisting the Project implementation; (b) approving the Annual Work Plan and Budget; and (c) ensuring optimal integration of the One Health agenda to Project activities; all under terms of reference and with qualified and experienced members in adequate number satisfactory to the Association, as further set out in the POM.

3. Regional Advisory Committee

The Recipient shall designate at all times during Project implementation representative(s) to participate in the Regional Advisory Committee, under terms of reference and with qualified and experienced members in adequate number, all satisfactory to the Association and as further set out in the Project Operations Manual.

B. Subsidiary Agreement

1. The Recipient shall cause AFAP to assist in the implementation of the Project pursuant to a subsidiary agreement ("Subsidiary Agreement") to be entered into between the Recipient, through the Ministry of Finance, the Ministry of Health and

AFAP, under terms and conditions acceptable to the Association, 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 Financing available to AFAP for the purposes of carrying out the procurement, disbursement, financial management, and environmental and social 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 to exercise its rights under the Subsidiary Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purpose of the Financing, including the right of the Recipient, through the Ministry of Finance, to suspend or terminate the right of AFAP to use said proceeds of the Financing, or to obtain a refund of all or any part of the amount of the Financing then withdrawn;
- (d) the obligation of AFAP to:
 - (i) By the Effective Date, in coordination with the PCU prepare and adopt the Project Operations Manual in accordance with Section I.C of this Schedule;
 - (ii) By the Effective Date, prepare, approve and adopt the AFAP Financial Management Manual in form and substance satisfactory to the Association;
 - (iii) Without limitation to the staff to be recruited or appointed in accordance with the ESCP, not later than two (2) months after the Effective Date, recruit an accountant, with terms of reference, qualifications and experience satisfactory to the Association;
 - (iv) not later than two (2) months after the Effective Date, update and customize the accounting software to maintain separate records and allow the preparation of financial reports for the Project;
 - (v) not later than three (3) months after the Effective Date, sign an amendment or addendum of the existing contract with external auditors to include the audit of the financial statements for the Project;

- (vi) carry out the procurement, disbursement, financial management, and environmental and social 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;
- (vii) maintain the procurement staff, the financial management specialist, the monitoring and evaluation specialist, and the internal auditor with terms of reference, qualifications and experience satisfactory to the Association;
- (viii) 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 Association, including in accordance with the Project Operations Manual, Procurement Regulations, Anti-Corruption Guidelines and Environmental and Social Commitment Plan, and provide, or cause to be provided, promptly as needed, the facilities, services and other resources required for the Project;
- (ix) (1) maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the Association, both in a manner adequate to reflect the operations, resources and expenditures related to the Project; and (2) at the Association's or the Recipient's request, through the Ministry of Health, have such financial statements audited by independent auditors acceptable to the Association, in accordance with consistently applied auditing standards acceptable to the Association, and promptly furnish the statements as so audited to the Recipient, through the Ministry of Health, and the Association;
- (x) at the request of the Recipient or the Association, exchange views with the Recipient and the Association with regard to the progress of the Project and the performance of its obligations under the Subsidiary Agreement;
- (xi) enable the Recipient, through the Ministry of Health, and the Association to inspect AFAP's implementation of activities under the Project and any relevant records and documents;
- (xii) prepare and furnish to the Recipient, through the Ministry of Health, and the Association all such information as the Recipient, through the Ministry of Health, or the Association shall reasonably request relating to the foregoing; and

- (xiii) promptly inform the Recipient and the Association of any condition which interferes or threatens to interfere with the progress of the Project, or the performance of its obligations under the Subsidiary Agreement.
- 2. The Recipient shall exercise its rights under the Subsidiary Agreement in such manner as to protect the interests of the Recipient and 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 the Subsidiary Agreement or any of its provisions.
- 3. In the event of any conflict between the provisions of the Subsidiary Agreement and the provisions of this Agreement, the provisions of this Agreement shall prevail.

C. Project Operations Manual

- 1. The Recipient shall, through the Ministry of Health and the Ministry of Finance, and shall cause AFAP to prepare and adopt an implementation manual acceptable to the Association (“Project Operations Manual” or “POM”), which shall contain detailed work flow, methods and procedures for the implementation of the Project, including but not limited to: (i) administration and coordination arrangements, including placement of necessary human resources for Project implementation; (ii) performance indicators of the Project; (iii) procurement arrangements; (iv) disbursement arrangements, reporting requirements, financial management procedures and audit procedures; (v) monitoring and evaluation; (vi) corruption and fraud prevention measures; (vii) roles and responsibilities of the PCU and AFAP in the implementation of the Project; (viii) Personal Data collection and processing requirements in accordance with applicable national law and good international practice; (ix) environmental and social framework aspects, including a detailed description of the grievance redress mechanism process as well as any process for recording and reporting project-related accidents and incidents; (x) details on the composition and working arrangements of the RAC; and (xi) such other arrangements and procedures as shall be required for the effective implementation of the Project.
- 2. The Recipient shall exchange views with the Association on the POM prior to its adoption, and thereafter ensure that the Project is carried out in accordance with the POM.
- 3. The Recipient shall ensure that the Project is carried out in accordance with the POM; provided, however, that in case of any conflict between the provisions of the POM and the provisions of this Agreement, the provisions of this Agreement shall prevail. Except as the Association shall otherwise agree, the Recipient shall not amend, abrogate or waive any provision of the POM.

D. Annual Work Plan and Budget

1. The Recipient shall, through the Ministry of Health, and shall cause AFAP to not later than ninety (90) days after the Effective Date for the Fiscal Year in which this Agreement shall become effective, and not later than October 31 of each subsequent Fiscal Year, prepare and furnish to the Association for the Association's no objection, a draft consolidated annual program of activities proposed for implementation under the Project during the following Fiscal Year, together with a proposed budget which shall include the funds from the Financing for the implementation of the Project.
2. Without limitation to the provision of Section I.D.1 of this Schedule, each annual work plan and budget prepared under Section I.D.1 of this Schedule shall set forth:
(i) a detailed description of the planned activities, including any proposed conferences and Training, under the Project for the period covered by the plan;
(ii) the sources and proposed use of funds therefore; (iii) procurement and environmental and social management arrangements therefor, as applicable, and;
(iv) responsibility for the execution of said Project activities, budgets, start and completion dates, outputs and monitoring indicators to track progress of each activity.
3. The Recipient shall ensure that in preparing any training plan proposed for inclusion in an annual work plan and budget it shall identify in the training plan:
(i) the objective and content of the Training envisaged; (ii) the selection method of the institutions or individuals conducting such Training, and said institutions if already known; (iii) the expected duration and an estimate of the cost of said Training; and (iv) the selection method of the personnel who will attend the Training, and number and names of such personnel if already known.
4. The Recipient shall exchange views with the Association on each such proposed consolidated annual work plan and budget and take into account comments which the Association may have before approval by the Project Steering Committee of the final annual work plan and budget not later than one (1) month after the date referred to in Section I.D.1 of this Schedule (once approved by the Association and finalized, an "Annual Work Plan and Budget").
5. The Recipient shall carry out the activities included in each of the Annual Work Plan and Budget during the Fiscal Year to which they related. The Annual Work Plan and Budget may be revised during the Fiscal Year to which it relates, with the prior written agreement of the Association.

E. Environmental and Social Standards

1. The Recipient 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 Association.
2. Without limitation upon paragraph 1 above, the Recipient shall, and shall cause the AFAP to, 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, 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 Association shall otherwise agree in writing, as specified in the ESCP, and ensure that the revised ESCP is disclosed promptly thereafter.
3. Without limitation upon the provisions of paragraph 2 above, if sixty (60) days prior to the Closing Date, the Association determines that there are measures and actions specified in the ESCP which will not be completed by the Closing Date, the Recipient shall and shall cause AFAP to: (a) not later than thirty (30) days before the Closing Date, prepare and present to the Association, an action plan satisfactory to the Association on the outstanding measures and actions, including a timetable and budget allocation for such measures and actions (which action plan shall be deemed to be considered an amendment of the ESCP); and (b) thereafter, carry out said action plan in accordance with its terms and in a manner acceptable to the Association.
4. In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.
5. The Recipient shall, and shall cause AFAP to, 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.
6. The Recipient shall, and shall cause AFAP to, 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.
7. The Recipient shall, and shall cause the 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.

F. Contingent Emergency Response

1. In order to ensure the proper implementation of contingent emergency response activities under Part 4 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.

G. Agreement with WHO

1. No later than six (6) months after the Effective Date, the PIE shall enter into an agreement (the “WHO Agreement”) with the World Health Organization (“WHO”), in a manner and substance satisfactory to the Association, in order to obtain technical assistance for purposes of implementing Parts 1 and 2 of the Project.

2. The Recipient shall exercise its rights under the WHO Agreement in such manner as to protect the interests of the Recipient and 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 the WHO Agreement or any provision contained therein (whether in whole or in part).
3. In the event of any conflict between the provisions of the WHO Agreement and those of the Financing Agreement the provisions of the Financing Agreement shall prevail.

H. Memoranda of Understanding with the Regional Bodies

1. In order to maximize the benefits of regional harmonization for purposes of the Project, no later than three (3) months after the Effective Date, the Recipient shall enter into a separate memorandum of understanding with each of the Regional Bodies (the “MOU”, or in the case of separate memoranda, each an “MOU”), in form and substance satisfactory to the Association, as such MOU shall include provisions to the effect of ensuring that the Recipient shall participate in any activity carried out by the Regional Bodies under the MPA, including *inter alia* training events, workshops, data collection and analysis or knowledge-sharing.
2. The Recipient shall exercise its rights and obligations under the MOU(s) in such manner as to protect the interests of the Recipient and 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 the MOU(s) or any provision contained therein (whether in whole or in part).
3. In the event of any conflict between the provisions of the MOU(s) and those of this Agreement the provisions of this Agreement shall prevail.

Section II. Project Monitoring, Reporting and Evaluation

1. The Recipient shall furnish to the Association each Project Report not later than one (1) month after the end of each calendar semester, covering the calendar semester.
2. 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 activities described in Schedule 1 of this Agreement, the Recipient shall ensure that such information, report or document does not include Personal Data.

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 the Financing Allocated (expressed in SDR)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, works, non-consulting services, and consulting services for Parts 1, 2 and 3 of the Project	6,800,000	100%
(2) Emergency Expenditures under Part 4 of the Project	0	100%
TOTAL AMOUNT	6,800,000	

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; or
 - (b) for Emergency Expenditures under Category (2), 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 Financing amounts under Category (2); 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.
2. The Closing Date is March 31, 2030.

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 Association, which shall enter into a Subsidiary Agreement with the Recipient in accordance with Section I.B of Schedule 2 to this Agreement for the purposes of implementing the Project.
2. “AFAP Financial Management Manual” means the financial management manual to be prepared, approved and adopted by AFAP in form and substance satisfactory to the Association.
3. “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.
4. “AMR” means antimicrobial resistance.
5. “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.
6. “Annual Work Plan and Budget” means the work plan and budget prepared annually by the Recipient in accordance with the provisions of Section I.D. of Schedule 2 to this Agreement.
7. “CERC Manual” means the manual referred to in Section I.F. 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 Project Operations Manual.
8. “Contingent Emergency Response Part” means any activity or activities to be carried out under Part 4 of the Project to respond to an Eligible Crisis or Emergency.
9. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
10. “ECSA-HC” means East, Central and Southern Africa Health Community, a regional organization established and operating under the ECSA Convention.
11. “ECSA Convention” means the Convention of the East, Central and Southern Africa Health Community dated November 22, 2002, which entered into force and

effect as of July 1, 1980, in accordance with Article 17 of the Convention, pursuant to which ECSA-HC was established and is operating.

12. “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.
13. “Emergency Action Plan” means the plan referred to in Section I.F 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.
14. “Emergency Expenditures” means any of the eligible expenditures set forth in the CERC Manual referred to in Section I.F of Schedule 2 to this Agreement and required for the Contingent Emergency Response Part.
15. “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated August 7, 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.
16. “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.
17. “Fiscal Year” means the twelve (12) month period corresponding to any of the Recipient’s fiscal years, which period commences in January and ends on December in each calendar year.

18. “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).
19. “Health Emergencies” or “HEs” means any acute or chronic shocks to health systems that by virtue of scale, timing, or unpredictability overwhelm routine capabilities and hinder the provision of essential health services.
20. “IGAD” means Intergovernmental Authority on Development, a regional economic community set up through IGAD Constitutive Agreement, responsible for carrying out the Project.
21. “IGAD Constitutive Agreement” means the agreement establishing the Intergovernmental Authority on Development of March 21, 1996.
22. “IHR” means the World Health Organization’s International Health Regulations (2005).
23. “IPC” means infection prevention and control.
24. “Ministry of Finance” means the Recipient’s Ministry of Planning, Finance and Blue Economy, or any successor thereto acceptable to the Association.
25. “Ministry of Health” means the Recipient’s Ministry of Health, Labor and Social Affairs, or any successor thereto acceptable to the Association.
26. “MOU” means the memorandum of understanding in accordance with section I.H of Schedule 2 to this Agreement.
27. “MPA Program” means the multiphase programmatic approach program designed to strengthen health system resilience and multisectoral preparedness and response to health emergencies in Eastern and Southern Africa.
28. “NAPHS” means national action plan for health security.
29. “National IHR Focal Point” means the national center to be designated by the Recipient in accordance with the IHR.
30. “One Health” means an approach that recognizes that the health of people is closely connected to the health of animals and our shared environment and demands collaboration across three interdependent sectors—animal health (agriculture sector), human health (health sector) and ecosystems (environmental sector)—to prevent, detect and respond to disease threats.
31. “Operating Costs” means the reasonable incremental expenses incurred by the Recipient in connection with Project implementation, including consumable

materials and supplies, communications, mass media and printing services, vehicle insurance, rental, operation and maintenance, utilities, office rental and maintenance, charges for the opening and operation of bank accounts required for the Project, travel, lodging and per diems, and salaries of contractual staff working on the Project (other than consulting services), but excluding salaries of officials of the Recipient.

32. “Participating Countries” means the countries participating in Phase I of the MPA Program, namely Federal Democratic Republic of Ethiopia, Republic of Kenya, and Democratic Republic of Sao Tome and Principe. “Participating Country” means any one of the Participating Countries.
33. “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.
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 November 2020.
35. “Project Coordination Unit” means the unit established by the Recipient in accordance with the Financing Agreement entered into between the Recipient and the Association on April 6, 2020 (Grant No. D606-ST) in relation to the COVID-19 Emergency Response Project, as adjusted for this Project and which the Recipient shall maintain throughout Project implementation in accordance with Section I.A. of Schedule 2 to this Agreement.
36. “Project Operations Manual” or “POM” means the Project’s implementation manual referred to in Section I.C of Schedule 2 to this Agreement.
37. “Project Steering Committee” means the committee established pursuant to Decision 20/2023, dated May 18, 2023, in relation to the COVID-19 Emergency Response Project, as adjusted for this Project pursuant to Section I.A.2 of Schedule 2 to this Agreement.
38. “RCCE” means risk communication and community engagement.
39. “Regional Advisory Committee” or “RAC” means the committee to be convened by the Regional Bodies that shall: (a) be responsible for interregional-level coordination of Project implementation among the Participating Countries

and the Regional Bodies including, *inter alia*: (i) providing strategic guidance and oversight; (ii) act as the main mechanism for interregional knowledge exchange and planning, and exploring opportunities for partnerships; and (iii) monitoring and evaluation of Project implementation, and reporting and record keeping; (b) meet semi-annually in the first year of Project implementation and annually thereafter; and (c) include representatives of all Participating Countries and Regional Bodies, as well as representatives of the Association and other entities as further described in the POM.

40. “Regional Bodies” means the regional and sub-regional organizations participating in this MPA Program, namely IGAD and ECSA-HC. “Regional Body” means any one of the Regional Bodies.
41. “SOPs” means standard operating procedures.
42. “Subsidiary Agreement” means the agreement referred to in Section I.B of Schedule 2 to this Agreement.
43. “Training” means the training of persons involved in Project-supported activities, based on the Annual Work Plan and Budget approved by the Association, such as, tuitions, seminars, workshops, and study tours, and costs associated with such activities including travel and subsistence costs for training participants, costs associated with securing the services of trainers, rental of training facilities, preparation and reproduction of training materials, and other costs directly related to training preparation and implementation.
44. “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.
45. “WASH” means water, sanitation and hygiene.
46. “WHO” means the World Health Organization.
47. “WHO Agreement” means the agreement to be entered into between the Recipient and WHO in accordance with Section I.G of Schedule 2 to this Agreement.