
GRANT NUMBER E388-AF

Financing Agreement

(Education Emergency Response in Afghanistan Additional Financing)

between

INTERNATIONAL DEVELOPMENT ASSOCIATION

and

**UNITED NATIONS CHILDREN'S FUND
(for the benefit of Afghanistan)**

FINANCING AGREEMENT

AGREEMENT dated as of the Signature Date between INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”) and UNITED NATIONS CHILDREN’S FUND (“Recipient” or “UNICEF”).

WHEREAS:

- (A) The United Nations has, in response to the risks of severe drought in Afghanistan and the crisis therein following the events that occurred on August 15, 2021, requested the Association on November 7, 2021, to finance international community’s efforts for providing humanitarian assistance and protecting basic service delivery in Afghanistan;
- (B) The Afghanistan Resilience Trust Fund (“ARTF”) Management Committee and the Association, acting as the administrator of the ARTF, approved, in September 2022, a proposal for financing of the Original Project (as hereinafter defined) in the overall amount not to exceed one hundred million United States Dollars (\$100,000,000) extended to the Recipient on terms and conditions set forth or referred to in the Grant Agreement, dated September 13, 2022, as amended (“Original Grant Agreement”), to assist in the financing of the Original Project;
- (C) The Recipient, having satisfied itself to the feasibility of the Project (as hereinafter defined), has requested the Association to assist with additional financing of the Project;
- (D) The Association has agreed on the basis, *inter alia*, of the foregoing to extend to the Recipient: (i) a grant out of the ARTF resources for the benefit of the people of Afghanistan in the amount of twenty-five million United States Dollars (\$25,000,000) under the Grant Agreement, between the Association and the Recipient (“Grant Agreement”), dated the same as this Agreement to assist with the additional financing of the Project; and (ii) a grant for the benefit of the people of Afghanistan upon terms and conditions set forth in this Agreement, to assist with the additional financing of the Project;

NOW THEREFORE, 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. The Financial Management Framework Agreement (“FMFA”) (as defined in the Appendix to this Agreement) constitutes an integral part of this Agreement. Without limitation to the provisions of the FMFA, in respect to the Recipient, all and/or any references in the FMFA to the:
- (a) “Letter Agreement(s)” shall be understood as references to this Agreement;
 - (b) “Trust Fund Grant(s)” shall be understood as references to the Financing referred to in Section 2.01 of this Agreement;
 - (c) “UN” and “UN Organization,” including a particular reference in Section 7 of the FMFA, shall be understood as reference to “United Nations Children’s Fund”;
 - (d) “UN Controller” shall be understood as reference to the “UNICEF Comptroller”;
 - (e) “UN Financial Regulations” shall be understood as reference to the “UNICEF Financial Regulations and Rules”; and
 - (f) “Parties” in section 11 of the FMFA shall be understood as reference to the “Association” and “United Nations Children’s Fund” or, alternatively, the “Association” on the one hand and the “United Nations Secretariat” and all “UN Organizations” (as that term is defined in the FMFA) on the other hand, if a satisfactory consolidated review mechanism is established.
- 1.03. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions, the Appendix to the Grant Agreement, 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 fifty-two million six hundred thousand Special Drawing Rights (SDR 52,600,000) (“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 IV of Schedule 2 to this Agreement.

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 — REMEDIES OF THE ASSOCIATION

- 4.01. The Additional Events of Suspension consist of the following:
- (a) if, by notice sent to the Recipient pursuant to sub-paragraph (iv) of paragraph 9 of the FMFA, the Association confirms that it reasonably believes the actions taken previously in accordance with said Section 9 have not been sufficient to fulfill its fiduciary obligations to ensure that the proceeds of the Financing were for eligible expenditures; or
 - (b) if, by notice sent to the Recipient pursuant to sub-paragraph (iii)(a)(1) of paragraph 10 of the FMFA, the Association confirms that alternative financial management arrangements mutually acceptable to the Association and the Recipient were not reached within the period stipulated therein; or
 - (c) if, the Association determines at any time that a reference in either paragraph 1 or paragraph 4 of Section II.B of Schedule 2 to this Agreement to the Recipient's Financial Regulations and Rules is incomplete or inaccurate in any material respect; and/or
 - (d) if the Association for any reason revokes the application of the Alternative Procurement Arrangements set forth in Section III.1 of Schedule 2 to this Agreement.

ARTICLE V — TERMINATION

- 5.01 The Effectiveness Deadline is the date ninety (90) days after the Signature Date.
- 5.02. Without prejudice to Section 10.05(b) of the General Conditions, the Financing Agreement and all obligations of the parties under it shall forthwith terminate when all such obligations have been fully performed.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

6.01. The Recipient's Representative is UNICEF Representative, Afghanistan.

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

(a) The Recipient's address is:

UNICEF, the United Nations Children's Fund
United Nations Office Complex (UNOCA)
Jalalabad Road
Kabul, Afghanistan
(Attention: The Country Representative)

With a copy to:

UNICEF, the United Nations Children's Fund
UNICEF House
Three United Nations Plaza
New York, New York 10017
(Attention: Director, Public Partnerships Division); and

(b) the Recipient's Electronic Address is:

E-mail: toyewale@unicef.org

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.

INTERNATIONAL DEVELOPMENT ASSOCIATION

By:



Authorized Representative
Faris H. Hadad-Zervos
Name: _____
Country Director
Title: _____
23-Dec-2024
Date: _____

UNITED NATIONS CHILDREN'S FUND

By:



Authorized Representative
Name: _____ Tajudeen oyewale
Title: _____ UNICEF Representative
Date: _____ 24-Dec-2024

SCHEDULE 1

Project Description

The objective of the Project is to support access to learning opportunities for girls and boys and improve learning conditions in Project-supported schools.

The Project consists of the following parts:

Part 1. Support Access to Learning Opportunities

- 1.1 Supporting Community Based Education (“CBE”) and transition of CBE students to primary level Hub Schools to improve access to basic education for out-of-school children, with a special focus on girls and disadvantaged groups, including, *inter alia*, provision of training to Implementing Partners, teachers, school principals, and community-led consultative councils, updating the associated transition plans, carrying out of needs assessments in Hub Schools, and supporting the implementation of a national learning continuity strategy for CBE learners.
- 1.2 Supporting: (a) an innovative Block Grants program to promote continued youth engagement in learning; (b) youth literacy and skills development programs, including, *inter alia*, carrying out of literacy, numeracy, skills development, and entrepreneurship support activities for adolescent youth and provision of Cash Transfers to Cash Transfer Beneficiaries; and (c) multi-modal distance learning activities, including, *inter alia*, development, broadcasting, and curation of teaching and learning materials in Selected Subjects, provision of student tutoring support, and carrying out of research and assessments to evaluate distance learning interventions.
- 1.3 Support education and nutrition-related interventions in Selected Districts through financing Labeled Cash Transfers to Eligible Households.
- 1.4 Supporting access to learning opportunities for early childhood development through: (a) conducting a study of existing early childhood education centers; (b) carrying out mapping and related analysis for the delivery of integrated early childhood development services, including education, health and nutrition points; and (c) piloting of a face-to-face intervention targeting caregivers, especially mothers, on good parenting practices.

Part 2. Improving Learning Conditions at Project-supported Schools

- 2.1 Supporting gender-focused rehabilitation of school infrastructure and provision of high-performance tents to increase access and attendance and improve student learning.

- 2.2 Supporting distribution of basic teaching and learning materials for students and teachers in Selected Schools.
- 2.3 Enhancing primary school teachers' pedagogical competencies and subject matter knowledge through in-service teacher professional development activities, including, *inter alia*, carrying out of a teachers' skill gap assessment, development of training programs and materials, and delivering in-service teacher professional development training.
- 2.4 Supporting learning assessments through an expansion of a national learning assessment to cover CBE classes and public schools' primary classes.
- 2.5 Supporting Home-Grown School Feeding through provision of school feeding, consisting of, *inter alia*, nutritious daily snacks, school meals and nutritional supplements, to CBE and primary school children in Selected Districts and provision of training, goods, and equipment support to relevant stakeholders to become school-feeding providers, including training, guidance, and monitoring on recipe standardization and carrying out of assessments to evaluate program impact.

Part 3. Strengthening Monitoring and Ensuring Accountability

- 3.1 Strengthening monitoring and ensuring accountability through, *inter alia*: (a) collecting core education data; (b) carrying out household surveys or Multiple Indicator Cluster Surveys; (c) engaging the Recipient's Third-Party Monitoring Agent for the Project; and (d) conducting internal monitoring.
- 3.2 Supporting Project implementation and coordination, including by supporting: (a) Recipient's Indirect Costs; (b) direct Project management and supervision costs required to support implementation of the Project, including, among others, Project monitoring and coordination; and (c) establishment and maintenance of a grievance redress mechanism.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. The Recipient shall carry out the Project with due diligence and efficiency in conformity with appropriate administrative, financial, technical, environmental and social standards and practices and in accordance with the provisions of this Agreement, the FMFA, the Environmental and Social Commitment Plan (“ESCP”) and the Project Operations Manual, and shall promptly provide the funds, facilities, services and other resources required for the Project.
2.
 - (a) The Recipient shall maintain throughout the period of the implementation of the Project, a coordination committee (“Project Coordination Committee”) with composition and terms of reference agreed by the Recipient and the Association, to help provide, *inter alia*, the overall guidance for the Project, as further set out in the Project Operations Manual. The Recipient shall facilitate the establishment and maintenance of the Project Coordination Committee.
 - (b) Without limitation to the generality of Section I.A.2(a) above, the Project Coordination Committee shall include representatives of the Recipient, a selected representative from the ARTF partners and the Association, and unless otherwise agreed between the Association and the Recipient, shall meet at least once each calendar quarter during the Project implementation period.

B. Project Operations Manual

1. The Recipient shall:
 - (a) no later than one (1) month after the Signature Date, update and thereafter maintain, throughout the implementation of the Project, the Project Operations Manual (“POM”), in form and substance satisfactory to the Association, containing, *inter alia*: (i) a detailed description of the Project activities and institutional arrangements for their implementation, including eligibility criteria and selection procedures for Part 1.2(b) of the Project; (ii) detailed terms of reference of the Project Coordination Committee and its operational arrangements; (iii) monitoring, evaluation, and reporting procedures for the Project, including third-party monitoring of Project implementation; (iv) procedures, eligibility criteria, and mechanisms for provision of Labeled Cash Transfers to Eligible Households, Cash Transfers

to Cash Transfer Beneficiaries, and Block Grants and targeting of Block Grants Service Providers, as agreed between the Association and the Recipient in accordance with the provisions of this Agreement and the FMFA; (v) description of the package of Community Based Education services; (vi) operational procedures and arrangements for monitoring compliance with Entry Criteria for Access; and (vii) implementation of environmental and social instruments referred to in the ESCP; and

- (b) carry out the Project in accordance with the provisions of the Project Operations Manual.
- 2. Without limitation upon other provisions of this Agreement, monitoring, evaluation, financial and reporting procedures for third-party monitoring of Project implementation in the Project Operations Manual under Section I.B.1.(a)(iii) above shall include, among others, detailed terms of reference of the Recipient's Third-Party Monitoring, which may be carried out in coordination with Association's Third-Party Monitoring Agent, and information sharing arrangements between the Recipient's Third-Party Monitoring Agent(s) and the Association's Third-Party Monitoring Agent.
- 3. The Recipient shall not amend, suspend, or waive any provision of the Project Operations Manual without the prior written concurrence of the Association.
- 4. In the event of any inconsistency between the provisions of the Project Operations Manual and those of this Agreement, the provisions of this Agreement shall prevail.

C. Work Plan and Budget

- 1. The Recipient shall, not later than one (1) month after the Signature Date, and thereafter, on September 1, of each year during the implementation of the Project, or such later date as the Association may agree in writing prepare and furnish to the Association for its approval, the Work Plan and Budget, covering activities to be implemented under the Project for the subsequent twelve (12) months, a proposed financing plan for expenditures required for such activities, and a timetable for their implementation. The Work Plan and Budget shall be reviewed on a six-monthly basis and updated as required and agreed by the Recipient and the Association.
- 2. The Recipient shall afford the Association a reasonable opportunity to exchange views on such proposed Work Plan and Budget and thereafter ensure that the Project is implemented in accordance with such Work Plan and Budget as shall have been agreed to by the Recipient and the Association.

3. The Recipient may revise the Work Plan and Budget, as needed, with the prior written agreement of the Association.

D. Third-Party Monitoring

1. The Recipient shall maintain throughout Project implementation, the Recipient's Third-Party Monitoring Agent, with qualifications, experience and terms of reference satisfactory to the Association, to be financed out of the proceeds of the Financing to carry out the Recipient's Third-Party Monitoring of the Project implementation.
2. Names and summary of the qualifications of the recommended entity/entities for the contract of the Recipient's Third-Party Monitoring Agent(s) will be shared with the Association prior to contract award. The Association shall have seven (7) days after the receipt of the name and summary of the qualifications of the recommended entity/entities to raise any concerns with the Recipient regarding the recommended entity/entities.
3. The Recipient shall cause the Recipient's Third-Party Monitoring Agent to prepare a monitoring report quarterly, each covering a period of three (3) months. The Recipient shall, after its review, and no later than twenty-one (21) days after the receipt of monitoring report, make available such monitoring report to the Association.
4. In the event that the Association reasonably believes that a monitoring report submitted pursuant to paragraph 3 above does not contain sufficient details regarding the issues covered by the Recipient's Third-Party Monitoring Agent's terms of reference, the Association may request the Recipient to: (a) provide clarification(s) with regard to the Recipient's Third-Party Monitoring Agent's report for matters within the scope of the terms of reference; (b) furnish any additional reports, plans or documents produced or relied upon by the Recipient's Third-Party Monitoring Agent in accordance with its terms of reference; and (c) afford a reasonable opportunity to the Association to request additional information from the Recipient for matters within the scope of the Recipient's Third-Party Monitoring Agent's terms of reference. The Recipient shall provide any additional reports, plans, documents or information requested within a period of fourteen (14) days after the receipt of the Association's request and shall ensure that representatives of the Recipient's Third-Party Monitoring Agent are available to discuss matters with the Recipient and the Association, if requested by the Association.

E. Cash Transfers

1. For the purposes of Cash Transfers under Part 1.2(b) of the Project, the Recipient shall provide Cash Transfers to Cash Transfer Beneficiaries in accordance with the

procedures, eligibility criteria, amount limits, and mechanisms set forth in the Project Operations Manual.

F. Anti-Corruption

1. The Recipient shall carry out the Project subject to the provisions of the General Conditions and the following undertakings:
 - (a) The Recipient shall take all the appropriate measures, in accordance with its accountability and oversight framework, to prevent corrupt, fraudulent, coercive or collusive practices in connection with the use of the Financing.
 - (b) In the event that the Recipient or the Association becomes aware of information that indicates the need for further scrutiny of the implementation of the Project or any expenditures under the proceeds of the Financing (including non-frivolous allegations that corrupt, fraudulent, collusive or coercive practices were undertaken in relation to any activity under its Respective Parts of the Project), the Recipient or the Association, as the case may be, shall promptly bring such information to the attention of the appropriate official or officials of the other party, as designated from time to time by each party by written notice to the other party.
 - (c) Without limitation to paragraph (b) above, the Recipient's Office of Internal Audit and Investigations (OIAI) shall periodically submit to the World Bank Group's Integrity Vice Presidency (INT) a statement confirming whether or not, during the reporting period, the Recipient has received any non-frivolous allegations referred to in paragraph (b) above, and a brief description of any such allegations received. Any information provided under this paragraph that is designated as such by the OIAI will be considered confidential and will only be disseminated within the organization on a strict "need to know" basis. Information that has previously been provided to the Association on an ad hoc basis under paragraph (b) will not be considered confidential unless it was designated as such at the time of initial disclosure, regardless of whether the same information is duplicated in whole or in part in any report to be generated under this paragraph. The Association reserves the right to use confidential information in furtherance of its own investigations under paragraph 4 of this Section I.F. but will notify the Recipient in advance and, upon request, will consult with the Recipient before doing so.
 - (d) Following consultation between the Recipient and the Association, the Recipient will, to the extent the information relates to actions within the authority or accountability of the Recipient, take timely and appropriate action in accordance with its accountability and oversight framework, including applicable regulations, rules, and administrative instructions, to

investigate this information. For greater clarity on this matter, the Recipient and the Association agree and acknowledge that the Recipient has no authority over, and accordingly shall have no responsibility to investigate, any government official or officials or consultants of the Association.

- (e) To the extent such investigation confirms the allegations and to the extent that remedial action is within the authority of the Recipient, the Recipient will take timely and appropriate action in response to the findings of such investigation, in accordance with the Recipient's accountability and oversight framework, including its regulations, rules, policies and procedures.
 - (f) To the extent consistent with the Recipient's accountability and oversight framework, including its regulations, rules, policies and procedures, it will keep the Association regularly informed by agreed means of actions taken pursuant to Section I.F.1(e) immediately above, and the results of the implementation of such actions, including where relevant, details of any recovery of funds or writing-off of losses. The Recipient will use its best efforts, consistent with its regulations, rules, policies and procedures, to recover any funds misused. The Recipient will, in consultation with the Association, credit any funds so recovered to the Association or agree with the Association to use these funds for a purpose mutually agreed upon.
2. In the event that the Association reasonably believes that timely and appropriate action has not been taken by the Recipient under Section I.F.1 above, the Association may request direct consultations at a senior level between the Association and the Recipient in order to obtain assurances that the Recipient's oversight and accountability mechanisms have been and are being fully applied in connection with such allegations. The Recipient and the Association take note of the relevant provisions of the United Nations Financial Regulations and Rules and the Recipient's corresponding relevant provisions in its Financial Regulations and Rules.
 3. The Association may, following consultation with the Recipient, by notice to the Recipient, suspend the right of the Recipient to make further withdrawals of the proceeds of the Financing if the Association reasonably believes the actions taken by the Recipient under Section I.F.1 above have not been sufficient to fulfill its fiduciary obligation with respect to the Financing.
 4. The Association has the right and authority, pursuant to the Anti-Corruption Guidelines, to investigate allegations or other information relating to possible corrupt, fraudulent, coercive, or collusive practices (as defined in Section I.F.7 below) by any third party, and to sanction any such third party which the Association has determined to have engaged in such practices; provided, however, that in this Section, "third party" does not include the Recipient. To the extent

consistent with the Recipient's oversight framework, including its regulations, rules, policies and procedures, and if requested by the Association, the Recipient shall cooperate with the Association in the conduct of such investigations. The specific terms of such cooperation shall be agreed-upon between the Association's and the Recipient's investigative offices on a case-by-case basis; shall give due consideration to the safety, security, and confidentiality of any involved individual(s); and may include, but not be limited to, providing evidence obtained during the Recipient's own investigations conducted pursuant to paragraph 1(d) of this Section.

5. Without limitation to the provisions of paragraph F.1 of this Section, the Association retains the right to conduct an investigation in connection with the information referred to in paragraph F.1(b) of this Section and any information provided to the Recipient regarding allegations of corrupt, fraudulent, coercive, or collusive practice in connection with the bidding process, the award, or implementation of any contract to be or being financed out of the proceeds of the Financing, except that the Association may not investigate the Recipient or another United Nations agency. In all such investigations, the Recipient agrees to facilitate such investigations.
6.
 - (a) The Recipient will require any third-party commercial entity with which it has a long-term arrangement or to which it intends to issue a purchase order or a contract financed with the proceeds of the Financing to disclose to the Recipient whether it is subject to any sanction or temporary suspension imposed by any organization within the World Bank Group. The Recipient will give due regard to such sanctions and temporary suspensions, as disclosed to it when issuing contracts during Project implementation.
 - (b) If the Recipient intends to issue a contract in connection with the Project with a party that has disclosed to the Recipient that it is under sanction or temporary suspension by the World Bank Group, the following procedure will apply: (i) the Recipient will so inform the Association, before signing such contract; (ii) the Association then may request direct consultations at a senior level, if required, between the Association and the Recipient to discuss the Recipient's decision; and (iii) if after such consultation, the Recipient elects to proceed with the issuance of the contract, the Association may inform the Recipient by notice, that the proceeds of the Financing may not be used to fund such contract.
 - (c) Any portion of the proceeds of the Financing received by the Recipient under this Agreement that may have been used to fund a contract in respect of which the World Bank Group has exercised its right under paragraph 6(b)(iii) immediately above, shall be used to defray the amounts requested by the Recipient in any subsequent Withdrawal Application, if any, or will

be treated as a balance in favor of the Recipient in the calculation of the final balances prior to the Closing Date.

7. For the purposes of the provisions of this Section I.F, the following definitions of sanctionable practices shall apply:
 - (a) “corrupt practice” is the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party;
 - (b) “fraudulent practice” is any act or omission, including misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain financial or other benefit or to avoid an obligation;
 - (c) “collusive practice” is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party; and
 - (d) “coercive practice” is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party.

G. 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 from the Financing 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, including sexual exploitation and abuse, sexual harassment, and violence against minors, 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.
6. The Recipient shall 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.
7. (a) Without limitation to the reporting requirements of this Section, the Association may request the Recipient to provide, in accordance with the ESCP:

- i. reports from and/or contracts/agreements with contractors and/or Implementing Partners relevant to the implementation of the Environmental and Social Standards for the Project;
 - ii. assessments of the capacity of Implementing Partners to implement the Environmental and Social Standards for the Project and any capacity enhancement measures.
- (b) If the Association determines that the status of compliance with the ESCP and the environmental and social instruments referred to therein cannot be established based on the information provided, it may request direct consultations at a senior level between the Association and the Recipient to discuss the matter.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

1. The Recipient shall ensure that each Project Report is furnished to the Association not later than forty-five (45) days after the end of each calendar quadrimester, covering the quadrimester. The Recipient shall ensure that each Project Report contains, among others, any update on the implementation of the activities under the Procurement Plan.
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.

B. Financial Management; Financial Reports; Audits

1. The Recipient shall maintain or cause to be maintained a financial management system, including records and accounts, adequate to reflect the transactions related to the Project, in accordance with the applicable policies, procedures, and guidance provided in the Financial Regulations and Rules. In accordance with Article 10 of the FMFA, the Recipient shall notify the Association of any changes to these Financial Regulations and Rules that occur after the signing of this Agreement within thirty (30) days of their effective date and shall make them available on the Recipient's external website.
2. The Recipient shall maintain records ("Ledger Account") and accounts that provide a complete, true, and faithful record of all the expenditures from the proceeds of the Financing and of all the expenditures paid from such proceeds and

in a manner that allows for the clear and separate identification of activities financed by the Association.

3. The Recipient will prepare periodic financial statements in accordance with its Financial Regulations and Rules and accounting standards acceptable to the Association. The financial statements will be submitted to the Association in accordance with the provisions of Section II (Financial Reports and Audits) of the Disbursement and Financial Information Letter referred to in Section IV.A. of this Schedule.
4. The Recipient shall ensure that the audit of the Project is: (a) carried out exclusively by the UN Board of Auditors in accordance with Article XIV of the Financial Regulations and Rules; and (b) governed by the Financial Management Framework Agreement. In addition, if agreed by the Recipient and the Association, the Recipient will carry out any additional due diligence activities as agreed by the Recipient and the Association in separate terms of reference.
5. The Recipient shall retain, and shall cause to be retained, until at least one (1) year after the Association has received the final interim unaudited financial report referred to in the Disbursement and Financial Information Letter referenced in Section IV.A of this Schedule, all records (contracts, orders, invoices, bills, receipts and other documents) evidencing all expenditures in respect of which withdrawals of the proceeds of the Financing were made.

Section III. Procurement

1. All goods, works, non-consulting services and consulting services required for the Project and to be financed out of the proceeds of the Financing shall:
 - (a) be procured in accordance with the applicable procurement policies, procedures, regulations and practices of the Recipient, as such procurement policies, procedures, regulations and practices have been assessed and found to be acceptable by the Association, and the Procurement Plan; and
 - (b) not commence to be procured until a Procurement Plan, including any applicable update thereto, has been agreed with the Association in accordance with paragraph 2 of this Section.
2. By the Signature Date, the Recipient shall prepare and furnish to the Association for review a Procurement Plan, prepared in accordance with terms of reference satisfactory to the Association, and thereafter, implement the Project in accordance with such Procurement Plan as shall have been agreed with the Association. If any update is necessary to the Procurement Plan, the Recipient and the Association shall agree on such an updated Procurement Plan.

3. If the Association determines that the procurement policies, procedures, regulations, or practices of the Recipient have been modified, suspended, or waived in such a manner that they are no longer acceptable to the Association, the Association may, in addition to the Association’s rights under the Agreement, revoke the procurement provisions set out in paragraph 1 of this Section III.

Section IV. 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, consulting services, Community-Based Education Teacher Salaries, Training, Cash Transfers, and Operating Costs for Parts 1.1, 1.2(b), 1.2(c), 1.4, 2.1, 2.2, 2.3, 2.4, and 3 of the Project	43,066,920.00	100%
(2) Goods, non-consulting services, consulting services, Food Expenditures, Training, and Operating Costs for Part 2.5 of the Project	7,510,000.00	100%
(3) Indirect Costs (4%) under Part 3 of the Project	2,023,080.00	100%
TOTAL AMOUNT	52,600,000.00	

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 except that withdrawals up to an aggregate amount not to exceed SDR 18,410,000 may be made for payments made prior to this date but on or after December 19, 2023, for Eligible Expenditures under Category (1). No withdrawal shall be made for retroactive financing under this paragraph (a) under Category (1) unless the Recipient has submitted a due diligence report on the compliance of such Eligible Expenditures with the ESSs, satisfactory to the Association, including a timebound corrective action plan to ensure compliance with the ESSs, as applicable;
 - (b) under Category (2) until and unless the Recipient has updated, adopted, and disclosed the ESMF with regards to Part 2.5 with substance and in a manner satisfactory to the Association; or
 - (c) for the purpose of any payment to persons or entities, or for any import of goods, if such payment or import, to the Association's knowledge, is prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations.
2. Without prejudice to any other provision of this Agreement, the Recipient further undertakes that no Financing proceeds or resources may be used for law-enforcement, security, military, or paramilitary purposes or for any payments made to any law-enforcement, security, military, or paramilitary forces without the Association's express approval.
3. All withdrawals shall be made on the basis of the interim unaudited financial report referred to in Section II.B.3 of this Schedule and under such other terms and conditions as the Association shall specify by notice to the Recipient contained in the Disbursement and Financial Information Letter addressed or to be addressed by the Association to the Recipient for purpose of the Financing.
4. Without prejudice to the provisions of Section 8.07 of the General Conditions, in the event that the Association requests a refund of any portion of the proceeds of the Financing that has been used in a manner inconsistent with the provisions of this Agreement, the Association and the Recipient will adopt the procedures set forth in paragraph 9 of the FMFA.

5. It is understood that the Recipient shall not be responsible for and shall have no obligation to initiate or continue implementation of the pertinent activities under the Project unless the proceeds of the Financing allocated to such activities have been made available to the Recipient.
6. The Closing Date is December 31, 2026.

Section V. Other Undertakings

1. In undertaking its obligations under the Project and this Agreement, the Recipient shall process Personal Data in accordance with its policies, procedures, regulations and practices. In particular, the Recipient shall ensure that Personal Data shall:
 - a. only be processed on one or more legitimate bases, as defined by its policies, procedures, regulations and practices;
 - b. be processed only for purposes specified in the Project, which are consistent with the Recipient's mandate;
 - c. when processed, be confined to that which is relevant, limited and adequate to what is necessary in relation to the purposes specified above;
 - d. only be retained for the time that is necessary to achieve the purposes specified above;
 - e. be accurate and, where necessary, up to date to fulfill the purposes specified above;
 - f. be processed with transparency to individuals; and
 - g. be processed with due regard to confidentiality.
2. The Recipient shall adopt appropriate organizational, administrative, physical and technical safeguards and procedures in order to protect the security of Personal Data, including against or from accidental or unauthorized destruction, loss, alteration, disclosure, access, or unplanned loss of availability.
3. The Recipient may only transfer Personal Data to a third party if, under the circumstances, the Recipient determines in accordance with the foregoing paragraphs 1 and 2, above, that there is a legitimate basis for such transfer. The principles of the Recipient's policies, procedures, regulations and practices apply equally to the processing and transfer of Personal Data.
4. Without limitation upon any other provisions of this Agreement, the Recipient and the Association will agree on any safeguards required in order to protect the Personal Data collected, disclosed and/or processed under the Project. The Recipient may only transfer Personal Data to a third party if, under the circumstances, it is satisfied that such third party affords protection for the Personal Data on terms no less favorable than the Recipient does under this Project.

APPENDIX

Section I. Definitions

1. “Alternative Procurement Arrangements” means the procurement arrangements set forth in Section III of Schedule 2 to this Agreement, as permitted by the Association’s Procurement Regulations for IPF Borrowers, dated September 2023.
2. “Anti-Corruption Guidelines” means 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.
3. “Association’s Third-Party Monitoring” means monitoring activities of the Project (including, *inter alia*, periodic site visits, assessment of local context and conditions, interviews, awareness raising, and preparation of reports) to be carried out by the Association’s Third-Party Monitoring Agent, with the purpose of carrying out satisfactory monitoring and evaluation of the activities under the Project.”
4. “Association’s Third-Party Monitoring Agent” means the firm(s) or organization(s), with internationally recognized expertise in monitoring and evaluation of development projects, including for financial management, procurement, and social and environmental safeguards aspects of such development projects, engaged by the Association for carrying out the Association’s Third-Party Monitoring in accordance with this Agreement.
5. “Block Grant” means a grant to a Block Grant Service Provider in accordance with the provisions of Section I.E of Schedule 2 to the Original Grant Agreement and the requirements of the Project Operations Manual; “Block Grants” means more than one such Block Grant.
6. “Block Grants Service Provider” means a non-governmental organization or a private entity that has been determined as eligible to receive a Block Grant in accordance with the provisions of Section I.E of Schedule 2 to the Original Grant Agreement and the requirements of the Project Operations Manual; “Block Grants Service Providers” means more than one such Block Grants Service Provider.
7. “Cash Transfer” means a cash payment to be provided to a Cash Transfer Beneficiary under Part 1.2(b) of the Project in accordance with the provisions of the Project Operations Manual.
8. “Cash Transfer Beneficiary” means any person selected in accordance with the eligibility criteria and procedures set out in the Project Operations Manual to

receive a Cash Transfer under Part 1.2(b) of the Project; and “Cash Transfer Beneficiaries” means more than one such Cash Transfer Beneficiary.

9. “Category” means a category set forth in the table in Section IV.A of Schedule 2 to this Agreement.
10. “Community-Based Education” or “CBE” is an outreach program of the formal education system, undertaken jointly by the communities, delivered primarily through facilitating partners to provide education opportunities in remote rural areas for students who are unable to attend formal schools due to, *inter alia*, lack or long distances to schools, insecurity or other reasons.
11. “Community-Based Education Teacher Salaries” means the salaries of CBE teachers supported under Part 1.1 of the Project.
12. “Eligible Households” means the households with at least one adolescent girl between the ages of 12-17, selected in accordance with the eligibility criteria, terms and conditions, and procedures set out in the POM to receive a Labeled Cash Transfer under Part 1.3 of the Project.
13. “Entry Criteria for Access” means the criteria required to have been met for the purpose of the Project to ensure: (i) primary schools are formally open for both female and male students and teachers; and (ii) no significant formal changes are made to the general education curriculum, as such criteria are further set out in the Project Operations Manual.
14. “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated November 6, 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. “Financial Management Framework Agreement” or “FMFA” means the Financial Management Framework Agreement between the World Bank and the United Nations, to which UNICEF is a co-signatory pursuant to the letter it signed on November 4, 2016. For purposes of the FMFA, the “World Bank” means the Association and the International Bank for Reconstruction and Development.
17. “Financial Regulations and Rules” means Recipient’s financial management regulations and rules entitled as “the United Nations Children’s Fund Financial Regulations and Rules E/ICEF/2011/AB/L.8.
18. “Food Expenditure” means the reasonable cost of food incurred by the Recipient relating to provision of school feeding under Part 2.5 of the Project, as further set out in detail in the Project Operations Manual.
19. “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), with the modifications set forth in Section II of this Appendix.
20. “Grant Agreement” means the grant agreement for the Project between the Recipient and the Association dated the same date as this Agreement, as such grant agreement may be amended from time to time. “Grant Agreement” includes all appendices, schedules and agreements supplemental to the Grant Agreement.
21. “Home-Grown School Feeding” means a school feeding model designed to provide children in schools with safe, diverse, and nutritious foods, sourced locally and domestically.
22. “Hub School” means a public school, which serves as a primary school for more than one village and includes Community Based Education schools as its registered extensions.
23. “Implementing Partner” means a legal entity, other than a government entity, with which the Recipient has concluded a partnership agreement related to Project implementation; and “Implementing Partners” means more than one such Implementing Partner.

24. “Indirect Costs” means the indirect costs incurred by the Recipient as a function and in support of the Project, which cannot be traced unequivocally to the deliverables and technical output of the Project and which is up to four per cent (4%) of the total Financing received by the Recipient.
25. “Labeled Cash Transfers” means the cash transfers to be provided to selected Eligible Households under Part 1.3 of the Project, in accordance with the eligibility criteria and procedures set out in the POM.
26. “Multiple Indicator Cluster Survey” means a survey to be conducted by the Recipient under Part 3 of the Project to assess the situation of Afghan children, women and men in the areas of education, health and child protection; “Multiple Indicator Cluster Surveys” means more than one such Multiple Indicator Cluster Survey.
27. “Operating Costs” means the reasonable incremental costs incurred on account of the implementation, management, and monitoring of the Project, including office supplies, office space rental, equipment maintenance and repair, vehicle operation and maintenance, utilities, communication charges, mass media and printing services, translation, and interpretation charges, bank charges, charges for transporting cash into the country, travel and lodging allowances, per diems, incremental salaries of contracted employees, but excluding salaries and allowances of the Member Country’s civil service.
28. “Original Grant Agreement” means the grant agreement dated September 13, 2022, between UNICEF and the Association, as administrator of the ARTF (Grant No. TF0B9497) in support of the Emergency Education Response Project, as such agreement may be amended from time to time.
29. “Original Project” means the Emergency Education Response Project as set out in the Original Grant Agreement.
30. “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 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 identify of an individual.
31. “Project Operations Manual” or “POM” means the manual adopted by the Recipient pursuant to Section I.B.1 of Schedule 2 to this Agreement, setting forth detailed arrangements and procedures for the implementation of the Project as the

same manual may be amended from time to time with written prior approval of the Association.

32. “Recipient’s Third-Party Monitoring” means the Project monitoring activities of the Recipient (including, *inter alia*, periodic site visits, assessment of local context and conditions in target locations across the country, key informant interviews, awareness raising, training and preparation of reports which form an integral part of the Recipient’s monitoring system) to be carried out by the Recipient’s Third-Party Monitoring Agent(s) for the purpose of carrying out satisfactory monitoring and evaluation of the activities of the Project, in accordance with the terms of reference acceptable to the Association.
33. “Recipient’s Third-Party Monitoring Agent” means any firm or organization engaged by the Recipient, under terms of reference and qualifications acceptable to the Association, and to be financed out of the proceeds of the Financing, for carrying out Recipient’s Third-Party Monitoring of the Project.
34. “Selected Districts” means the districts in Afghanistan selected by the Recipient in accordance with selection criteria set out in the Project Operations Manual.
35. “Selected Subjects” means the subjects to be selected by the Recipient for the distance learning activities under Part 1.2(c) of the Project in accordance with the provisions of the Project Operations Manual.
36. “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.
37. “Training” means the costs associated with training of personnel, teachers, supervisors, and managers involved in activities under the Project, based on the Work Plan and Budget, such terms including seminars, workshops, and associated travel and subsistence costs for training participants, costs associated with securing the services of trainers, rental of training facilities, per diems for trainers and teachers, preparation and reproduction of training materials, and other costs directly related to training preparation and implementation of the training.
38. “Work Plan and Budget” means each work plan and budget for the Project prepared by the Recipient and approved by the Association pursuant to Section I.C of Schedule 2 to this Agreement.
39. “World Bank Group” means the Association, the International Bank for Reconstruction and Development, the International Finance Corporation, the International Centre for Settlement of Investment Disputes, and the Multilateral Investment Guarantee Agency.

Section II. Modifications to the General Conditions

The General Conditions are hereby modified as follows:

1. Section 2.06 (*Financing Taxes*) is modified as follows:

“Financing Taxes. The use of any proceeds of the Financing to pay for Taxes levied by, or in the territory of, the Member Country on or in respect of Eligible Expenditures, or on their importation, manufacture, procurement or supply, if permitted pursuant to the Legal Agreements, is subject to the Association’s policy of requiring economy and efficiency in the use of the proceeds of its credits and grants. To that end, if the Association at any time determines that the amount of any such Tax is excessive, or that such Tax is discriminatory or otherwise unreasonable, the Association may, by notice to the Recipient, adjust the percentage of such Eligible Expenditures to be financed out of the proceeds of the Financing.”
2. The following sections in Article III are deleted in their entirety and the remaining sections in Article III are renumbered accordingly, and all references to the Sections of Article III in any provision of the General Conditions are understood to refer to such renumbered Sections:
 - (a) Section 3.02 (*Commitment Charge*).
 - (b) Section 3.14 (*Place of Payment*)
 - (c) Section 3.15 (*Currency of Payment*)
 - (d) Section 3.16 (*Amount of Repayment*)
 - (e) Section 3.18 (*Manner of Payment*)
 - (f) Section 3.19 (*Temporary Currency Substitution*)
3. The following sections in Article V are deleted in their entirety and the remaining sections of Article V are renumbered accordingly, and all references to the Sections of Article V in any provision of the General Conditions are understood to refer to such renumbered Sections:
 - (a) Section 5.07 (*Plans; Documents; Records*)
 - (b) Section 5.09 (*Financial Management; Financial Statements; Audits*)
 - (c) Section 5.13 (*Procurement*)
 - (d) Section 5.14 (*Anti-Corruption*)
4. Section 6.01 (*Financial and Economic Data*) in Article VI is deleted in its entirety and the remaining section in Article VI is renumbered accordingly.
5. Section 8.02(a) (*Payment Failure*) is modified as follows:

“Payment Failure. The Member Country has failed to make payment (notwithstanding the fact that such payment may have been made by a third party) of principal, service charges, interest or any other amount due to the Association or the International Bank for Reconstruction and Development (“Bank”): (i) under any agreement between the Member Country and the Association or the Bank; or (ii) in consequence of any guarantee extended or other financial obligation of any kind assumed by the Association or the Bank to any third party with the agreement of the Member Country.”

6. Section 9.01 (*Enforceability*) of Article IX is modified as follows:

“Enforceability. The rights and obligations of the Recipient and the Association under the Legal Agreements shall be valid and enforceable in accordance with their terms notwithstanding the law of any state or political subdivision thereof to the contrary. Neither the Recipient nor the Association shall be entitled in any proceeding under this Article to assert any claim that any provision of the Legal Agreements is invalid or unenforceable because of any provision of the Articles of Agreement of the Association, or the constitutive documents of the Recipient.”

7. Section 9.03 (*Arbitration*) of Article IX is deleted and replaced with the provisions of Section 21 of the FMFA.

8. Paragraphs 5 (*“Anti-Corruption Guidelines”*), 7 (*“Arbitral Tribunal”*), 17 (*“Commitment Charge”*), 54 (*“Financial Statements”*), 76 (*“Maximum Commitment Charge Rate”*), and 85 (*“Procurement Regulations”*), and 109 (*“Umpire”*) in the Appendix (*Definitions*) are, respectively, deleted in their entirety and the subsequent paragraphs are renumbered accordingly.

9. Paragraph 77 (*“Member Country”*) in the Appendix, as renumbered pursuant to paragraph 7 immediately above, is modified to read in full as follows:

“77. “Member Country” means the member of the Association in whose territory the Project is carried out or any such member’s political or administrative subdivisions.”