SMPF GRANT NUMBER TF0B8677

Somalia Multi Partner Fund Grant Agreement

(Somalia Empowering Women through Education and Skills "Rajo Kaaba" Project)

between

FEDERAL REPUBLIC OF SOMALIA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

acting as administrator of SPMF

SMPF GRANT NUMBER TF0B8677

SOMALIA MULTI PARTNER TRUST FUND EARLY EDUCATION PARTNERSHIP GRANT AGREEMENT

AGREEMENT dated as of the Signature Date between FEDERAL REPUBLIC OF SOMALIA ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Bank"), acting as administrator of the Somalia Multi Partner Fund. The Recipient and the Bank hereby agree as follows:

Article I Standard Conditions; Definitions

- 1.01. The Standard Conditions (as defined in the Appendix to this Agreement) apply to and form part of this Agreement.
- 1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the Standard Conditions or in the Appendix this Agreement.

Article II The Project

2.01. The Recipient declares its commitment to the objectives of the project described in Schedule 1 to this Agreement ("Project"). To this end, the Recipient shall carry out the Project and cause Somaliland to carry out its Respective Activities under the Project, in accordance with the provisions of Article II of the Standard Conditions and Schedule 2 to this Agreement.

Article III The Grant

- 3.01. The Bank agrees to extend to the Recipient a grant in an amount not to exceed twenty-five million United States Dollars (\$25,000,000) ("SPMF Grant") to assist in financing the Project.
- 3.02. The Recipient may withdraw the proceeds of the Grant in accordance with Section III of Schedule 2 to this Agreement.
- 3.03. The Grant is funded out of the above-mentioned trust fund for which the Bank receives periodic contributions from the donors to the trust fund. In accordance with Section 3.02 of the Standard Conditions, the Bank's payment obligations in connection with this Agreement are limited to the amount of funds made available to it by the donors under the above-mentioned trust fund, and the Recipient's right to withdraw the Grant proceeds is subject to the availability of such funds.

Article IV Additional Remedies

- 4.01. The Additional Event of Suspension referred to in Section 4.02(k) of the Standard Conditions consists of the following:
 - (a) The Bank has determined after the Effective Date referred to in Section 5.03 of this Agreement that prior to such date but after the date of this Agreement, an event has occurred which would have entitled the Bank to suspend the Recipient's right to make withdrawals from the Grant Account if this Agreement had been effective on the date such event occurred.

Article V Effectiveness; Termination

- 5.01. This Agreement shall not become effective until evidence satisfactory to the Bank has been furnished to the Bank that the conditions specified below have been satisfied:
 - (a) The execution and delivery of this Agreement on behalf of the Recipient have been duly authorized or ratified by all necessary governmental action.
 - (b) The IDA Financing Agreement and the ELP Grant Agreement have been executed and delivered and all conditions precedent to their effectiveness or to the right of the Recipient to make withdrawals under them (other than the effectiveness of this Agreement) have been fulfilled.
 - (c) The POM has been adopted, in form and substance satisfactory to the Bank.
 - (d) The Recipient has prepared, adopted, and disclosed the Stakeholder Engagement Plan ("SEP"), Environmental and Social Management Framework ("ESMF"), the Labor Management Procedures ("LMP"), and the Security Management Framework ("SMF"), in a manner and substance acceptable to the Bank.
- 5.02. As part of the evidence to be furnished pursuant to Section 5.01(a), there shall be furnished to the Bank an opinion or opinions satisfactory to the Bank of counsel acceptable to the Bank or, if the Bank so requests, a certificate satisfactory to the Bank of a competent official of the Member Country, showing the following matters:
 - (a) on behalf of the Recipient, that this Agreement has been duly authorized or ratified by and executed and delivered on its behalf and is legally binding upon it in accordance with its terms.

- 5.03. Except as the Recipient and the Bank shall otherwise agree, this Agreement shall enter into effect on the date upon which the Bank dispatches to the Recipient notice of its acceptance of the evidence required pursuant to Section 5.01 ("Effective Date"). If, before the Effective Date, any event has occurred which would have entitled the Bank to suspend the right of the Recipient to make withdrawals from the Grant Account if this Agreement had been effective, the Bank may postpone the dispatch of the notice referred to in this Section until such event (or events) has (or have) ceased to exist.
- 5.04. Termination for Failure to Become Effective. This Agreement and all obligations of the parties under it shall terminate if it has not entered into effect by the date a hundred and twenty (120) days after the date of this Agreement, unless the Bank, after consideration of the reasons for the delay, establishes a later date for the purpose of this Section. The Bank shall promptly notify the Recipient of such later date.

Article VI Recipient's Representative; Addresses

- 6.01. The Recipient's Representative referred to in Section 7.02 of the Standard Conditions is the Recipient's Minister of Finance.
- 6.02. For purposes of Section 7.01 of the Standard Conditions, the Recipient's address is:

Ministry of Finance Corso Somalo Street Shangani District Mogadishu, Somalia

- 6.03. For purposes of Section 7.01 of the Standard Conditions:
 - (a) the Bank's address is:

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

(b) the Bank's Electronic Address is:

Telex: Facsimile:

248423 (MCI) or (+1) 202 477 6391 64145 (MCI)

AGREED as of the Signature Date.

FEDERAL REPUBLIC OF SOMALIA

Pr. Elmi Mohamoud Nur

Authorized Representative

Name: Dr. Elmi Mohamoud Nur

Title: Minister

Date: 05-Nov-2022

INTERNATIONAL DEVELOPMENT ASSOCIATION acting as administrator of the SPMF

Reith E. Hansen

Authorized Representative

Name: Keith E. Hansen

Title: Country Director

Date: 27-Oct-2022

SCHEDULE 1

Project Description

The objective of the Project is to improve literacy and numeracy skills of women in selected areas and to prepare women for leadership roles.

The Project consists of the following parts:

Component 1 – Skills for Life and Labor Market Success

1. Selection of PIPs to implement results-oriented performance agreements to:
(i) provide support to eligible women and men to enroll and undertake training;
(ii) provide additional support to eligible beneficiaries to reduce barriers to attendance, including through stipends paid in tranches throughout the progression of the training to incentivize completion; (iii) impart high quality training in foundational skills (numeracy, literacy and life skills, including personal initiative, problem solving, and communication) as well as sessions on sexual and reproductive health, climate change response, and basic digital skills, and vocational skills where possible to support productive employment; and (iv) provide follow-up support for beneficiaries to track their employment status and assist in finding sustainable employment opportunities for those students who opt to enter the labor market.

Component 2 – Higher Skills Development for Women's Leadership

- 1. Support to: (i) the establishment of women's development centers at existing facilities and academic programs; and (ii) through them, the provision of educational services to Somali girls and women, such as technical and professional women-centered short courses, foundational courses for advancing-higher skills development, mentorship and peer support as well as related outreach campaigns and programs and courses that provide up-skilling of girls and women to prepare them for successful transitions to higher-level studies.
- 2. Support to: (i) the preparation of an inception report, outlining the benefits of a variety of options for the women's college consortium model, to inform the design and implementation plan for the consortium of women's colleges; (ii) development of design plans for the consortium model, including charter design plans for at least two initial pilot institutions (including options for infrastructure and facilities rehabilitation, curriculum tailored to specific local conditions as well as broader national strategic needs, staffing, budgeting, scholarship plans, and enrollment plans); (iii) legal establishment of each institution and a national women's college board, which would be responsible for governance oversight for the entire consortium; (iv) implementation of the charter plans to create the legal conditions

that establish the women's colleges and the women's college board for sustainable operations; and (v) implementation of pilot projects, including through rehabilitation and construction, and launch of enrollment by selected institutions.

Component 3 – Technical Assistance and Project Management

- 1. Support to the strengthening of data collection and processing systems and capacities, both for monitoring and policy formation purposes, including to track gender gaps and results achieved under the Project.
- 2. Support to Project implementation through the strengthening the management capacity of MoECHE staff as well as relevant State, regional and district level education administrators in targeted locations, including compliance with procurement, financial management (including financial audits), social and environmental, communication, monitoring and evaluation, and reporting requirements.
- 3. Support to the identification of additional implementation mechanisms that could potentially be used for the delivery of education services, including the establishment of a skills development fund and remote delivery of services and training for activities mentioned under Component 1 and 2 of the Project.

SCHEDULE 2

Project Execution

Section I. Institutional and Other Arrangements

A. Subsidiary Agreement

- 1. To facilitate the carrying out of Somaliland's Respective Activities under the Project, the Recipient shall make part of the proceeds of the Financing, allocated from time to time to Category (5) of the table set forth in Section III.A of this Schedule, available to Somaliland pursuant to a written agreement, under terms and conditions approved by the Bank ("Somaliland Subsidiary Agreement").
- 2. The Recipient shall exercise its rights under the Somaliland Subsidiary Agreement in such manner as to protect the interests of the Bank and to accomplish the purposes of the Financing. Except as the Bank shall otherwise agree, the Recipient shall not assign, amend, abrogate, or waive the Somaliland Subsidiary Agreement or any of its provisions.

B. Institutional Arrangements

- 1. **Overall arrangements.** The Recipient shall vest the overall responsibility for Project coordination and implementation in its Ministry of Education, Culture and Higher Education ("MoECHE").
- 2. Notwithstanding the foregoing, the Recipient shall:
 - (a) maintain the Project Steering Committee ("PSC") throughout the period of implementation of the Project, to be chaired by the Federal Minister of Education, Culture and Higher Education or his/her delegate, and comprised of the following members: FMS' Ministers of Education, one representative from the education sector coordination committees for coordination purposes, one representative from the Federal Ministry of Labor and Social Affairs, one representative from the Federal Ministry of Finance, and representatives from the World Bank (to participate as observers only), as set forth in the Project Operations Manual ("POM"); and vested with such powers, functions, and competencies, acceptable to the Bank and set forth in the POM, including regarding Project governance, strategic direction and oversight, guidance and high-level risk management, monitoring and facilitating effective working relationships across the FMS;
 - (b) maintain, throughout the period of implementation of the Project, the Project Management Unit ("PMU"), within MoECHE: (i) with competent, experienced and qualified staff, in sufficient numbers and under terms of

reference acceptable to the Bank as set forth in the POM, including at least, a Project coordinator, FGS and FMS technical component leads (for second chance/skills and higher education), FMS Project specialists, a procurement specialist, a finance specialist; a monitoring and evaluation specialist, a social risk management specialist, an environment specialist, and a gender-based violence specialist, a skills expert (to assist with Component 1 of the Project), and a higher education expert/program manager (to assist with Component 2.1 of the Project); (ii) vested with such powers, financial resources, functions and competencies, acceptable to the Bank and set forth in the POM, including, overall responsibility for the implementation the Project (including design of key activities, support to FMS ministries of education, partners coordination, civil society organizations, fiduciary and environmental and social risks management support and overall project monitoring, reporting and evaluation); and

(c) maintain throughout the period of implementation of the Project, the EAFS Unit within MoF's Office of Accountant General, with competent, experienced and qualified staff, in sufficient numbers and under terms of reference acceptable to the Bank, and vested with such powers, financial resources, functions and competencies, acceptable to the Bank and set forth in the COAP Manual, necessary to assist the PMU with the day-to-day financial management and fiduciary responsibilities for their Respective Activities under the Project.

C. Project Documents

1. The Recipient shall:

Adopt the Project Operations Manual ("POM") in form and substance (a) satisfactory to the Bank, which manual shall set forth, inter alia: (i) roles and responsibilities of the FGS and the FMS in the implementation of the Project, as well as roles and responsibilities of the PSC and PMU; (ii) detailed guidelines and procedures for the implementation of the Project, including administration and coordination, monitoring and evaluation, procurement and contract management, environmental and social risks mitigation measures (ancillary to those of the ESCP), fraud and corruption mitigation measures, the administrative structure and procedures of the Project grievance redress mechanism; (iii) any financial management requirements (ancillary to those of the COAP Manual), including detailed arrangements and procedures for financial approvals hierarchies and segregation of duties, management of bank accounts and payment processes, management and accounting of assets, and preparation of internal audits and annual Financial Statements, including the terms of reference for the external auditor; (iv) procedures for the preparation and approval of the Annual Work Plans & Budgets; (v) specific arrangements

for the purpose of reporting, monitoring and evaluation (including the Project's results framework and indicators); and (vi) such other arrangements and procedures as shall be required for the effective implementation of the Project; and

- (b) thereafter, implement the Project pursuant to the POM, the COAP Manual and, in a manner and substance satisfactory to the Bank.
- 2. The Recipient shall refrain from materially and/or substantially amending, revising, waiving, voiding, suspending, or abrogating, any provision of the POM and/or the COAP Manual, whether in whole or in part, without the prior written concurrence of the Bank.
- 3. In the event of any inconsistency between a provision of the POM or the COAP Manual and those of this Agreement, the provisions of this Agreement shall prevail.

D. Annual Work Plans & Budgets

The Recipient, through its PMU, shall:

- (a) prepare and furnish to the Bank on an annual basis, by no later than October 31 of each year, commencing on October 31, 2022, a consolidated annual plan of Project activities and ancillary budget and source of funding proposed for the next following Fiscal Year of Project implementation (the "Annual Work Plan & Budget"), which plan and budget shall be of such scope and detail as set forth in the Project Operations Manual and/or as the Bank shall reasonably request;
- (b) immediately submit each such Annual Work Plan & Budget to the Bank for review and comments; and
- (c) thereafter, ensure that the Project is carried out in accordance with the Annual Work Plans & Budgets as agreed with the Bank.

E. Environmental and Social Standards

- 1. The Recipient shall, and shall cause the Participating FMS and Somaliland to, ensure that the Project is carried out in accordance with the Environmental and Social Standards, in a manner acceptable to the Bank.
- 2. Without limitation upon paragraph 1 above, the Recipient shall ensure that the Project is implemented in accordance with the Environmental and Social Commitment Plan ("ESCP"), in a manner acceptable to the Bank. To this end, the Recipient shall, and/or shall cause the FMS responsible for those measures and/or actions to, ensure that:

- (a) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, as provided in the ESCP;
- (b) sufficient funds are available to cover the costs of implementing the ESCP;
- (c) policies and procedures are maintained, and qualified and experienced staff in adequate numbers are retained to implement the ESCP, as provided in the ESCP; and
- (d) the ESCP, or any provision thereof, is not amended, repealed, suspended, or waived, except as the Bank shall otherwise agree in writing, as specified in the ESCP, and ensure that the revised ESCP is disclosed promptly thereafter.
- 3. In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.
- 4. The Recipient shall, and shall cause the Participating FMS and Somaliland to, ensure that:
 - (a) all measures necessary are taken to collect, compile, and furnish to the Bank through regular reports, with the frequency specified in the ESCP, and promptly in a separate report or reports, if so requested by the Bank, information on the status of compliance with the ESCP and the environmental and social instruments referred to therein, all such reports in form and substance acceptable to the Bank, setting out, *inter alia*: (i) the status of implementation of the ESCP; (ii) conditions, if any, which interfere or threaten to interfere with the implementation of the ESCP; and (iii) corrective and preventive measures taken or required to be taken to address such conditions; and
 - (b) the Bank is promptly notified of any incident or accident related to or having an impact on the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, in accordance with the ESCP, the environmental and social instruments referenced therein and the Environmental and Social Standards.
- 5. The Recipient shall establish, publicize, maintain, and operate an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances of Project Affected Persons, and take all measures necessary and appropriate to resolve, or facilitate the resolution of, such concerns and grievances, in a manner acceptable to the Bank.

- 6. The Recipient 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. No later than three months from the Effective Date, the Recipient shall recruit a certified security risk management firm, with experience, qualifications, and terms of reference satisfactory to the Bank, to develop a project security assessment and management plan, areas risk assessments and plans, and provide support to the PMU during the first year of Project implementation.

Section II. Project Monitoring, Reporting and Evaluation

A. Documents; Records

In addition, and without limitation to the obligations set forth in Section 2.05 of the Standard Conditions, the Recipient shall ensure that:

- all records evidencing expenditures under the Project are retained for seven years and six months after the Closing Date, such records to include:
 (i) this Agreement, all addenda thereof, and any amendments thereto;
 (ii) the Recipient's financial and narrative progress reports submitted to the Bank; (iii) the Recipient's financial information related to the Grant, including audit reports, invoices and payroll records; (iv) the Recipient's implementation documentation (including sub-agreements, procurement files, contracts, purchase orders); and (v) the corresponding supporting evidence referred to in Section 3.04 of the Standard Conditions; and
- (b) the representatives of the Bank are: (i) able to examine all records referred to above in paragraph (a); (ii) provided all such information concerning such records as they may from time-to-time reasonably request; and (iii) able to disclose such records and information to the Donors.

B. Project Reports

The Recipient shall ensure that each Project Report is furnished to the Bank not later than forty-five (45) days after the end of each calendar quarter, covering the calendar quarter.

Section III. Withdrawal of Grant Proceeds

A. General

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

Category	Amount of the SMPF Grant Allocated (expressed in USD)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, non-consulting services, consulting services, Training and Operating Costs under Component 1 of the Project, other than for activities in Somaliland	20,000,000	100% upon exhaustion and full disbursement of the funds allocated to Category 1 under the ELP' grant TF0B8653
(2) Goods, non-consulting services, consulting services, Training and Operating Costs under Component 2 of the Project, other than for activities in Somaliland	0	100 %
(3) Works under Component 2 of the Project, other than for activities in Somaliland	0	100 %

(4) Goods, non-consulting services, consulting services, Training and Operating Costs under Component 3 of the Project, other than for activities in Somaliland	0	100 %
(5) Goods, works, non- consulting services, consulting services, Training and Operating Costs for activities in Somaliland	5,000,000	100 %
TOTAL AMOUNT	25,000,000	

B. Withdrawal Conditions; Withdrawal Period

- 1. Notwithstanding the provisions of Part A above, no withdrawal shall be made:
 - (a) for payments made prior to the Signature Date;
 - (b) under Category (3) until the following measures, outlined in the ESCP, have been completed in form and substance satisfactory to the Bank: (i) an ESMP for the construction phase has been adopted and publicly disclosed by the Recipient and cleared by the Bank; (ii) the SEAH Prevention and Response Action Plan has been adopted and publicly disclosed by the Recipient and cleared by the Bank; (iii) an area-specific Security Management Plan has been adopted by the Recipient and cleared by the Bank; (iv) Resettlement Action Plans (RAPs) and land agreements consistent with the requirements of the RAPs have been adopted and publicly disclosed by the Recipient and cleared by the Bank; and (v) a functioning, trusted and accessible Project GRM is in place, in line with the SEP; and
 - (c) under Category (5) until Somaliland has: (i) executed the Somaliland Subsidiary Agreement setting forth implementation arrangements for Somaliland's Respective Activities under the Project (including the flow of funds out of the Grant proceeds), and all Somaliland's internal requirements for the agreement to be binding upon Somaliland in

accordance with its terms have been duly obtained/secured; (ii) prepared and formally adopted a Project operation manual for its activities under the Project; (iii) established the institutional arrangements set forth in the forgoing manual, as shall be required to carrying out said Activities, in a manner and substance satisfactory to the Bank, and (iv) completed the following measures, outlined in the ESCP, in form and substance satisfactory to the Bank: (A) an ESMP for the construction phase has been adopted and publicly disclosed by the Recipient and cleared by the Bank; (B) the SEAH Prevention and Response Action Plan has been adopted and publicly disclosed by the Recipient and cleared by the Bank; (C) an areaspecific Security Management Plan has been adopted and cleared by the Bank; (D) Resettlement Action Plans (RAPs) and land agreements consistent with the requirements of the RAPs have been adopted and publicly disclosed by the Recipient and cleared by the Bank; and (E) a functioning, trusted and accessible Project GRM is in place, in line with the SEP.

2. The Closing Date is December 30, 2023.

APPENDIX

Definitions

- 1. "Annual Work Plan & Budget" or the term "AWP&B" means each annual work plans, together with their envisioned budgets, to be prepared by the Recipient for its Respective Activities under the Project, pursuant to the provisions of Section I.D of Schedule 2 to this Agreement; and "Annual Work Plans & Budgets" means the plural thereof.
- 2. "Anti-Corruption Guidelines" means, for purposes of paragraph 2 of the Appendix to the Standard Conditions, the "Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants", dated October 15, 2006, and revised in January, 2011, and as of July 1, 2016.
- 3. "Benadir Regional Administration" means the regional authority established and operating as a regional member state administration referred to in Article 48 of the Recipient's Constitution.
- 4. "Category" means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
- 5. "COAP Manual" means the comprehensive operation and accounting procedures manual dated December 1, 2018, adopted by the EAFS Unit, MoF Office of the Accountant General, as amended from time to time with the prior written concurrence of the Bank.
- 6. "EAFS Unit" means the Recipient's external assistance fiduciary section unit established within MoF's Office of the Accountant General, to carry out the overall financial management in respect of the external developmental assistance including proceeds received from the Bank.
- 7. "Education for Human Capital Development Project" or "EHCDP", means the project to support the Recipient's education sector for which a financing of forty million United States Dollars (\$40,000,000) was extended by the Bank to the Recipient and for which a financing agreement was entered between the Recipient and the Bank on June 30, 2021.
- 8. "ELP" means the Early Learning Partnership Multi Donor Trust Fund, a fund established by approval of the World Bank Executive Directors on April 6, 2015 and governed under the "Governance Framework for the Early Learning Partnership".
- 9. "ELP Grant" means the grant in the amount of two million United States dollars (USD 2,000,000) provided by the ELP to the Recipient for the co-financing of the Project pursuant to the ELP Grant Agreement.

- 10. "ELP Grant Agreement" means the agreement, of the same date as this Agreement, between the Recipient and the International Development Association, acting as administrator of the ELP, for purposes of providing the ELP Grant, as the same may be amended from time to time.
- 11. "Environmental and Social Commitment Plan" or "ESCP" means the environmental and social commitment plan for the Project, dated May 16, 2022, 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.
- "ESMF" means the environmental and social management framework to be prepared and adopted by the Recipient in a manner and substance satisfactory to the Bank pursuant to the ESCP, and to be disclosed in-country, and at the Bank's website, setting out the modalities to be followed in assessing the potential adverse environmental and social impacts of Project activities in accordance with the ESSs, including risks of gender-based violence and sexual exploitation and abuse and the measures to be taken to offset, reduce or mitigate such adverse impacts, including measures that endeavor to prevent and respond to gender-based violence and sexual exploitation and abuse, occupational, health and safety (OHS) measures, protocols for managing waste and hazardous materials; as well as procedures for the preparation of site-/activity-specific environmental and social management plans, as such framework may be amended by the Recipient from time to time, with the prior written concurrence of the Bank.
- 13. "ESMP" and "Environmental and Social Management Plan" means an instrument prepared on the basis of the ESMF that details (a) the measures to be taken during the implementation and operation of the Project, or parts thereof, to eliminate or offset adverse environmental and social impacts, or to reduce them to acceptable levels, as required under the ESS, as well as country- and site-specific environmental and social regulations relevant for the Project's risk management strategy; and (b) the actions needed to implement these measures.
- 14. "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 Bank.

- 15. "Federal Government of Somalia" and the acronym "FGS" means the Recipient's government.
- 16. "FMS" means, collectively, each of the states constituting the Somali federation, as acknowledge in Article 48 of the Recipient's Provisional Constitution (2012).
- 17. "IDA Financing" means the financing in the amount of eighteen million and six hundred thousand SDR (SDR 18,600,000) provided by the International Development Association for the co-financing of the Project pursuant to the IDA Financing Agreement.
- 18. "IDA Financing Agreement" means the agreement, of the same date as this Agreement, between the Recipient and the International Development Association, for purposes of providing the IDA Financing, as the same may be amended from time to time.
- 19. "GRM" or "Grievance Redress Mechanism" means a set of arrangements that enable local communities, employees, and other affected stakeholders to raise grievances with the project proponents and implementing agencies and seek redress when they perceive a negative impact arising from the project's activities.
- 20. "LMP" means the labor management procedures to be prepared by the Recipient, in a manner and substance satisfactory to the Bank, pursuant to the ESCP, and to be disclosed on the Bank's website, setting out the Project's approach and requirements on labor workforce for meeting national requirements as well as the objectives of ESS #2 (on labor and working conditions) and ESS #4 (on community health and safety), including procedures on incident investigation and reporting, recording and reporting of non-compliance, emergency preparedness and response procedures, protection of project workers from discrimination, forced labor and child labor, occupational health and safety (OHS), codes of conducts and continuous training and awareness for workers, as said instrument may be updated from time to time with the prior written concurrence of the Bank.
- 21. "Ministry of Finance" and the acronym "MoF" mean the Recipient's Ministry of Finance, or any successor to it acceptable to the Bank.

- 22. "MoECHE" means Recipient's Ministry of Education, Culture and Higher Education, or any successor thereto.
- 23. "Office of the Accountant General" means the Office of the Auditor General of the Recipient, or any successor acceptable to the Bank.
- 24. "Operating Costs" means the reasonable incremental expenses incurred on account of Project implementation, including office equipment and supplies, vehicle operation and maintenance, maintenance small office works and maintenance, of equipment, communication, advertisement and insurance costs, office administration costs, bank charges, translation costs, utilities, rental, consumables, salaries, accommodation, travel and *per diem* of Project staff.
- 25. "PMU" or "Project Management Unit" means the management unit established by the Recipient under the EHCDP and referred to in Section I.B.2(a) of Schedule 2 to this Agreement, the mandate and staffing of which will be expanded as needed to reflect activities under the Project.
- 26. "Procurement Regulations" means, for purposes of paragraph 20 of the Appendix to the Standard Conditions, the "World Bank Procurement Regulations for IPF Borrowers", dated November 2020.
- 27. "Program Implementing Partners" or "PIPs" means entities to be recruited by the PMU to assist in the implementation of activities under Component 1 of the project, based on a performance type of agreement, in form and substance satisfactory to the Bank.
- 28. "Project Affected Persons" means persons who, on account of the execution of the Project or any Associated Facilities, have experienced or would experience direct economic and social impacts caused by: (a) the involuntary taking of land, resulting in: (i) relocation or loss of shelter; (ii) loss of assets or access to assets; or (iii) loss of income sources or means of livelihood, whether or not such persons must move to another location; or (b) the involuntary restriction of access to legally designated parks and protected areas, resulting in adverse impact on the livelihoods of such persons.
- 29. "Project Operations Manual" and the acronym "POM" mean the manual to be adopted prior to the Effective Date, referred to in Section I.C.1(a) of Schedule 2 to this Agreement, and as it might be further updated from time to time with the prior written concurrence of the Bank.
- 30. "Project Steering Committee" or "PSC" means the steering committee established by the Recipient under the EHCDP and referred to in Section I.B.2(a) of Schedule 2 to this Agreement, the mandate of which will be expanded as needed to reflect activities under the Project.

- 31. "Resettlement Action Plan" or "RAP" means the plan to be adopted by the Recipient, satisfactory to the Bank, and disclosed on the Bank's website, which includes the principles, procedures, organizational arrangements and budget to implement the resettlement related activities under the Project, or under Parts of the Project, as said resettlement action plan may be revised from time to time with the prior written agreement of the Bank; and "RAPs" means, collectively, all such RAP.
- 32. "Respective Activities" means for:
 - (a) in respect of the Recipient: The activities carried out in the territory of the FMS and/or Benadir Regional Administration; and
 - (b) in respect of Somaliland: The activities carried out in the territory of Somaliland.
- 33. "SEAH Prevention and Response Action Plan" means the gender-based violence and sexual exploitation and abuse and harassment action plan to be prepared by the Recipient as part of the ESMF, in a manner and substance satisfactory to the Bank, pursuant to the ESCP, and to be disclosed on the Bank's website, setting out the precautionary measures to be set in place to mitigate and/or address any project-related incident of sexual exploitation and abuse, sexual harassment and other forms of gender based violence, as well as considerations related to child protection, as said instrument may be updated from time to time with the prior written concurrence of the Bank.
- 34. "Security Management Framework" and "SMF" means the Recipient's assessment of and mitigation measures to address Project-related security risks for Project workers and local populations, including risks related to the use of public or private security personnel, consistent with the requirements of the Environmental and Social Standards and relevant good international practice.
- 35. "Security Management Plan" means the security management plan to be prepared by the Recipient, in a manner and substance satisfactory to the Bank pursuant to the ESCP, and to be disclosed on the Bank's website, setting out the security guidelines, protocols and principles, to safeguard the lives and properties of individuals and communities involved in, affected by or benefiting from, the Recipient's Respective Activities under the Project, as well as the assets created/acquired thereunder, all in accordance with the requirements of the ESSs, as said instrument may be updated from time to time with the prior written concurrence of the Bank.
- 36. "SEP" means the stakeholder engagement plan prepared by the Recipient dated March 25, 2022, as the same shall be: (a) further updated in a manner and substance satisfactory to the Bank, pursuant to the ESCP and a condition precedent for the

effectiveness of this Agreement; and (b) disclosed on the Bank's website; which plan sets out the mechanisms for identifying stakeholders, gauging their interests and providing them and their communities with systematic means and processes for inclusive and meaningful engagement to influence Project design and implementation, including a grievance redress mechanism, as said instrument may be updated from time to time with the prior written concurrence of the Bank.

- 37. "Signature Date" means the later of the two dates on which the Recipient and the Bank signed this Agreement and such definition applies to all references to "the date of the SMPF Grant Agreement" in the Standard Conditions.
- 38. "Somaliland" means the Recipient's territory of Somaliland.
- 39. "Somaliland Subsidiary Agreement" means the written legal agreement to be entered between the Recipient and Somaliland, pursuant to Section I.A.1 of Schedule 2 to this Agreement.
- 40. "Standard Conditions" means the "International Bank for Reconstruction and Development and International Development Association Standard Conditions for Grant Financing Made by the Bank out of Trust Funds", dated February 25, 2019.
- 41. "Subsidiary Agreement" means, for purposes of the General Conditions, the Somaliland Subsidiary Agreement.
- 42. "Training" means the reasonable costs of training, workshops and conferences conducted in the territory of the Recipient or, subject to prior approval by the-Bank, attended abroad by the Recipient's officials and staff in connection with the Project, including the purchase and publication of materials, rental of facilities, course fees and travel and subsistence of trainees.