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**ADDITIONAL GRANT NUMBER E025  
CREDIT NUMBER 6633-SB  
GRANT NUMBER D628-SB**

# **Financing Agreement**

**(Additional Financing for COVID-19 Emergency Response Project)**

**(And Amendment to the Original Financing Agreement)**

**between**

**SOLOMON ISLANDS**

**and**

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

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**ADDITIONAL GRANT NUMBER E025  
CREDIT NUMBER 6633-SB  
GRANT NUMBER D628-SB**

**FINANCING AGREEMENT**

AGREEMENT dated as of the Signature Date between SOLOMON ISLANDS (“Recipient”) and INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”).

WHEREAS (1)(A) under the Original Financing Agreement (as defined in the Appendix to this Agreement), the Association agreed to extend to the Recipient a credit in an amount equivalent to one million eight hundred thousand Special Drawing Rights (SDR 1,800,000) and a grant in an amount equivalent to one million eight hundred thousand Special Drawing Rights (SDR 1,800,000) to assist in financing the Original Project (as defined in the Appendix to this Agreement); and

(B) the Recipient has requested the Association to extend additional financing in the amount specified in Section 2.01 of this Agreement to assist in financing activities related to the Original Project, and the Association has agreed, on the basis, *inter alia*, of the foregoing, to extend such credits to the Recipient, upon the terms and conditions set forth in this Agreement.

WHEREAS (2) the Recipient and the Association have agreed to amend the Original Financing Agreement, as set forth in Section II of the Appendix to this Agreement.

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. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in the Appendix to this Agreement.

**ARTICLE II — FINANCING**

- 2.01. The Association agrees to extend to the Recipient a grant, which is deemed as Concessional Financing for purposes of the General Conditions, in an amount equivalent to Three Million Seven Hundred Thousand Special Drawing Rights

(SDR 3,700,000) (“Financing”), to assist in financing the project described in Schedule 1 to this Agreement (“Project”).

- 2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section III of Schedule 2 to this Agreement.
- 2.03. The Maximum Commitment Charge Rate is one-half of one percent (1/2 of 1%) per annum on the Unwithdrawn Financing Balance.
- 2.04. The Payment Dates are January 15 and July 15 in each year.
- 2.05. The Payment Currency is Dollar.

### **ARTICLE III — PROJECT**

- 3.01. The Recipient declares its commitment to the objectives of the Project and the MPA Program. To this end, the Recipient shall carry out the Project through its Ministry of Health and Medical Services in accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement.

### **ARTICLE IV — EFFECTIVENESS; TERMINATION**

- 4.01. The Effectiveness Deadline is the date thirty (30) days after the Signature Date.
- 4.02. For purposes of Section 10.05 (b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty (20) years after the Signature Date.

### **ARTICLE V — REPRESENTATIVE; ADDRESSES**

- 5.01. The Recipient’s Representative is its Minister at the time responsible for finance.
- 5.02. For purposes of Section 11.01 of the General Conditions: (a) the Recipient’s address is:

Ministry of Finance and Treasury  
P.O. Box 26  
Honiara  
Solomon Islands; and

(b) the Recipient's Electronic Address is:

Facsimile:  
677-27855

E-mail:  
[hkuma@mof.gov.sb](mailto:hkuma@mof.gov.sb)

5.03. For purposes of Section 11.01 of the General Conditions: (a) The Association's address is:

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

(b) the Association's Electronic Address is:

Facsimile:  
1-202-477-6391

E-mail:  
[cdpngpacific@worldbank.org](mailto:cdpngpacific@worldbank.org)

AGREED as of the Signature Date.

SOLOMON ISLANDS

By

*Harry Kuma*

\_\_\_\_\_  
Authorized Representative  
Harry Kuma  
Name: \_\_\_\_\_  
Title: Minister of Finance and Treasury  
Date: 23-May-2022  
\_\_\_\_\_

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

*[Signature]*

\_\_\_\_\_  
Authorized Representative  
Stephen Ndegwa  
Name: \_\_\_\_\_  
Title: Country Director, PNG & Pacific Islands  
Date: 03-May-2022  
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## **SCHEDULE 1**

### **Project Description**

The objective of the Project is to prevent, detect and respond to the threat posed by COVID-19 and to strengthen national systems for public health preparedness in Solomon Islands.

The Project constitutes a phase of the MPA Program, and consists of the Original Project Parts, as amended:

**Part 1:**            **Emergency COVID-19 Preparedness and Response**

**Part 1.1:**        **Support for General Health Response to COVID-19**

Carrying out activities to assist the Recipient to prevent, prepare for and respond to COVID-19 including: (a) improving infection prevention and control measures by providing personal protective equipment and necessary supplies and consumables; (b) enhancing case detection, confirmation and contact tracing capabilities; (c) upgrading quarantine facilities and isolation units; (d) mobilizing contractual health care workers as may be required to respond to a surge in demand for health care services and general operating capacity; and (e) supporting Operating Costs for the health response to COVID-19 (other than COVID-19 vaccine deployment), including gender-based violence (“GBV”) support in quarantine facilities and GBV messaging in all forms of community health outreach as part of the emergency response.

**Part 1.2:**        **Support to COVID-19 Vaccine Deployment**

Carrying out activities to assist the Recipient to prevent, prepare for and respond to COVID-19 including through: (a) expanding human resources necessary for vaccine deployment; (b) acquiring various modes of transportation necessary for vaccine deployment; (c) developing and implementing communication, education and outreach strategies for vaccine rollout through various channels to generate vaccination demand and address vaccine hesitancy; (d) increasing social and traditional media monitoring to address potential misinformation regarding COVID-19; (e) implementing media relations and public outreach plan; (f) producing and distributing COVID-19 vaccination registration cards; and (g) supporting Operating Costs associated with COVID-19 vaccine deployment.

**Part 2: Health System Strengthening**

**Part 2.1: Support for Health Infrastructure Development**

Carrying out activities to strengthen the Recipient's health care system by enhancing clinical care capacity to manage COVID-19 cases and sustain routine health service delivery, including: (a) renovations and upgrades to intensive care units in two provincial hospitals; (b) enhancing health care waste management by financing incinerators, waste disposal transportation, and training in health care waste management; (c) upgrading of the national medical storage facility by financing refurbishment of its warehouse and training of its staff; (d) supporting MHMS with establishing of a national health emergency coordination center through refurbishing and repurposing of the existing building currently used as temporary accommodation for health care workers; and (e) training of health care workers in: (i) hospital infection prevention and control; and (ii) enhancement of knowledge and capacity in identifying, appropriate handling and referral of GBV cases.

**Part 2.2: Strengthen Human Resource Systems and Policy**

- (a) Providing technical assistance to the Recipient in carrying out the Role Delineation Policy through the review and assessment of existing health policies and health service packages against the requirements of the Role Delineation Policy and identifying existing gaps in health services delivery.
- (b) Supporting the Recipient in carrying out information campaigns, workshops and training targeting health workers and health stakeholders in addressing public health emergency, including raising awareness regarding applicable laws, regulations and policies governing the national health system.

**Part 3: Implementation Management and Monitoring and Evaluation**

Providing technical and operational assistance to the Recipient on Project management and implementation, including: supporting monitoring and evaluation activities; capacity building of MHMS staff; establishing and supporting the Project Management Unit; supporting interim assistance from the Existing PMU as needed; and sharing lessons learnt from response exercises and joint learning within the Recipient's territory and with other countries.

## SCHEDULE 2

### Project Execution

#### Section I. Implementation Arrangements

##### A. Institutional and Other Arrangements.

1. Section I.A (Institutional Arrangements), Section I.C (Annual Work Plans and Budgets), and Section I.D (Environmental and Social Standards) of Schedule 2 to the Original Financing Agreement are hereby incorporated by reference and shall apply, *mutatis mutandis*, to this Agreement, and the Recipient undertakes to comply with the provisions thereof to the same extent as if such provisions had been set out in full in this Agreement, provided that for the purposes of this Agreement, the references to the “Association” shall be read as the “Bank”; references to the “Project” and “Effective Date” in said Sections shall be construed as references to the Project and Effective Date as defined in this Agreement, respectively.

##### B. Project Operations Manual

1. By not later than three (3) months after the Effective Date (or such other date which the Association has confirmed in writing to the Recipient is reasonable and acceptable under the circumstances, as determined by the Association in its sole discretion), the Recipient shall prepare and adopt an updated Project Operations Manual, in form and substance satisfactory to the Association.
2. The Recipient shall thereafter ensure that the Project is carried out in accordance with the Project Operations Manual, and except as the Association may otherwise agree in writing, the Recipient shall not amend or waive, or permit to be amended or waived, any provision of the Project Operations Manual. In the event of any conflict between the provisions of the Project Operations Manual and those of this Agreement, the provisions of this Agreement shall prevail.

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

1. Section II of Schedule 2 to the Original Financing Agreement is hereby incorporated by reference in this Section II in its entirety and shall apply, *mutatis mutandis*, to this Agreement. References to the “Association” in Section II of Schedule 2 to the Original Financing Agreement shall be read as the “Bank” for the purpose of this Agreement; references to the “Project” and “Effective Date” in said Sections shall be construed as references to the Project and Effective Date as



defined in this Agreement, respectively. The Recipient hereby undertakes to comply with the provisions thereof to the same extent as if such provisions had been set out in full in this Agreement.

**Section III. Withdrawal of the Proceeds of the Financing**

**A. General**

Without limitation upon the provisions of Article II of the General Conditions and in accordance with the Disbursement and Financial Information Letter, the Recipient may withdraw the proceeds of the Financing to: (a) finance Eligible Expenditures; in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table:

<b>Category</b>	<b>Amount of the Financing Allocated (expressed in SDR)</b>	<b>Percentage of Expenditures to be Financed (inclusive of Taxes)</b>
(1) Goods, works, non-consulting services, consulting services, Operating Costs, Training, and Quarantine Costs for the Project (except for Part 1.2 of the Project)	3,700,000	100%
<b>TOTAL AMOUNT</b>	<b>3,700,000</b>	

**B. Withdrawal Conditions; Withdrawal Period**

1. Notwithstanding the provisions of Part A above, no withdrawal shall be made for payments made prior to the Signature Date, except that withdrawals up to an aggregate amount not to exceed SDR 740,000 from the Financing may be made for payments made prior to this date but on or after October 31, 2021 for Eligible Expenditures;
2. The Closing Date is December 31, 2024.

### **SCHEDULE 3**

#### **Amendments to the Original Financing Agreement**

The Recipient and the World Bank hereby agree to amend the Original Financing Agreement as follows:

1. Schedule 1 to the Original Financing Agreement is restated in its entirety as reflected in Schedule 1 to this Agreement.

2. Paragraph B (2) of Section III of Schedule 2, Project Execution, is hereby replaced in its entirety to read as follows:

“2. The Closing Date is December 31, 2024.”

## APPENDIX

### Definitions

1. “Annual Work Plan and Budget” means each annual work plan and budget (including related cash forecasts) for the implementation of the Project accepted by the Association, in accordance with Section I.C of Schedule 2 to this Agreement; and “Annual Work Plans and Budgets” means, collectively, all such plans and budgets.
2. “Anti-Corruption Guidelines” means, for purposes of paragraph 5 of the Appendix to the General Conditions, the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006 and revised in January 2011 and as of July 1, 2016.
3. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
4. “COVID-19” means the coronavirus disease caused by the 2019 novel coronavirus (SARS-CoV-2).
5. “Emergency Operations Committee” means the Recipient’s multi-government agency oversight committee chaired by the Secretary to the Recipient’s Cabinet, under which MHMS is the lead agency for ensuring that health measures are in place and for coordinating the Recipient’s health sector committee response as well as providing necessary guidance to support broader sector preparedness and response efforts.
6. “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated December 22, 2020, 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.

7. “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 Historically Underserved Traditional Local Communities”; (viii) “Environmental and Social Standard 8: Cultural Heritage”; (ix) “Environmental and Social Standard 9: Financial Intermediaries”; and (x) “Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure”; effective on October 1, 2018, as published by the Association.
8. “General Conditions” means the “International Development Association General Conditions for IDA Financing, Investment Project Financing”, dated December 14, 2018 (revised on August 1, 2020 and April 1, 2021).
9. “Ministry of Health and Medical Services” or “MHMS” means the Recipient’s Ministry of Health and Medical Services or any successor thereto.
10. “MPA Program” means the multiphase programmatic approach program designed to assist countries to prevent, detect and respond to the threat posed by COVID-19 and strengthen national systems for public health preparedness.
11. “Operating Costs” means the reasonable incremental expenses incurred by the Recipient on account of the implementation, management and monitoring and evaluation of the Project, based on the Annual Work Plans and Budgets accepted ex-ante by the Association, including rental of office space, bank charges, communications, advertising costs, utilities, stationery, vehicle operation, maintenance, insurance and transportation costs, but excluding: (a) salaries, fees, honoraria, bonuses, and any other salary supplements of any of the Recipient’s civil servants; and (b) Quarantine Costs.
12. “Original Financing Agreement” means the financing agreement for the Solomon Islands COVID-19 Emergency Response Project between the Recipient and the Association, dated January 27, 2021, as amended to the date of this Agreement and as such financing agreement may be further amended from time to time (Credit Number 6633-SB and Grant Number D628-SB).

13. “Original Project” means the project described in Schedule 1 to the Original Financing Agreement.
14. “Personal Data” means any information relating to an identified or identifiable individual. An identifiable individual is one who can be identified by reasonable means, directly or indirectly, by reference to an attribute or combination of attributes within the data, or combination of the data with other available information. Attributes that can be used to identify an identifiable individual include, but are not limited to, name, identification number, location data, online identifier, metadata and factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of an individual.
15. “Procurement Regulations” means, for purposes of paragraph 87 of the Appendix to the General Conditions, the “World Bank Procurement Regulations for IPF Borrowers”, dated November 2020.
16. “Project Management Unit” means the unit to be established by the Recipient in accordance with Section I.A.3(a) of Schedule 2 to this Agreement.
17. “Project Operations Manual” means the Recipient’s project operations manual to be adopted by the Recipient in accordance with Section I.B.1 of Schedule 2 to this Agreement; as said manual may be modified from time to time with prior approval in writing of the Association, and such term includes any schedules or annexes to the manual.
18. “Quarantine Costs” means the reasonable incremental expenditures incurred by the Recipient based on Annual Work Plans and Budgets and excepted by the Association in relation, *inter alia*, to housing, personal protective equipment, supplies and consumables, and personal hygiene supplies for quarantined persons.
19. “Role Delineation Policy” is an official policy adopted and endorsed by the Ministry of Health and Medical Services in May 2018 which sets out roles and functions of health facilities, available at <https://solomons.gov.sb/wp-content/uploads/2020/02/MHMS-Role-Delineation-Policy.pdf>.
20. “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.
21. “Training” means the reasonable costs of training and workshop activities under the Project, based on the Annual Work Plans and Budgets and accepted by the Association, including preparation and reproduction of training materials, rental of

facilities, reasonable transportation costs, per diem of trainers and trainees (if applicable), and any other expenses directly related to training preparation and implementation.