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**SMPF GRANT NUMBER TF0B8760**

# **Somalia Multi Partner Fund Grant Agreement**

**(Additional Financing for Somalia Recurrent Cost & Reform Financing Project –  
Phase III)**

**between**

**FEDERAL REPUBLIC OF SOMALIA**

**And**

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

**(Acting as administrator of the Somalia Multi-Partner Fund)**

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**SOMALIA MULTI-PARTNER FUND 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 (“SMPF”), for the purpose of providing additional financing for the Original Project. 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 objective of the project described in Schedule 1 to this Agreement (“Project”). To this end, the Recipient shall carry out 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 five million United States Dollars (\$5,000,000) (“Grant”) to assist in financing the Project.
- 3.02. The Recipient may withdraw the proceeds of the Grant in accordance with Section III of Schedule 2 to this Agreement.
- 3.03. The Grant is funded out of the abovementioned trust fund for which the Bank receives periodic contributions from the donors to the trust fund. In accordance with Section 3.02 of the Standard Conditions, the Bank’s payment obligations in connection with this Agreement are limited to the amount of funds made available to it by the donors under the abovementioned trust fund, and the Recipient’s right to withdraw the Grant proceeds is subject to the availability of such funds.

**Article IV**  
**Effectiveness; Termination**

- 4.01 This Agreement shall not become effective until 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 and the Agreement is legally binding upon the Recipient in accordance with its terms; and
  - (b) the Financing Agreement has been executed and delivered and all conditions precedent to its effectiveness or to the right of the Recipient to make withdrawals under it (other than the effectiveness of this Agreement) have been fulfilled.
- 4.02. For the purpose of confirming that the condition specified in paragraph (a) of Section 4.01 of this Agreement has been met, 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 Recipient, showing 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.
- 4.03. 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 4.01 of this Agreement (“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 has ceased to exist.
- 4.04. 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 ninety (90) 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 V**  
**Recipient's Representative; Addresses**

5.01. The Recipient's Representative referred to in Section 7.02 of the Standard Conditions is the Recipient's Minister of Finance.

5.02. For purposes of Section 7.01 of the Standard Conditions:

(a) the Recipient's address is:

Ministry of Finance  
Corso Somalo Street  
Shangani District  
Mogadishu, Somalia; and

(b) the Recipient's Electronic Address is:

E-mail: [info@mof.gov.so](mailto:info@mof.gov.so)

5.03. 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**

**By**

*H.E. Abdirahman Duale Beileh*

\_\_\_\_\_

**Authorized Representative**

**Name:** H.E. Abdirahman Duale Beileh

**Title:** Minister

**Date:** 05-Jul-2022

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

**(Acting as administrator of the Somalia Multi-Partner Fund)**

**By**



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**Authorized Representative**

**Name:** Keith E. Hansen

**Title:** Country Director

**Date:** 05-Jul-2022

## **SCHEDULE 1**

### **Project Description**

The objective of the Project is to support the Federal Government of Somalia and Eligible Federal Member States to strengthen resource management systems, the inter-governmental fiscal framework, and service delivery systems in health and education.

The Project consists of the following parts:

#### **Component 1: Recurrent cost finance to reform resource management systems**

1. Financing the FGS' salaries of Eligible Civil Servants as well as CIM Recruits, on a declining basis.
2. Financing the FGS' salaries of Eligible Civil Servants against the implementation of a series of reforms in domestic revenue administration, FGS' payment processes, inter-governmental fiscal relations, fiscal transfers to Eligible Federal Member States and public administration, and wage bill management.

#### **Component 2: Strengthen inter-governmental fiscal relations**

1. Institutionalizing the inter-governmental fiscal forum, including its secretariat, the inter-governmental fiscal forum technical committee and the finance ministers' fiscal forum ("FMFF"), inter-governmental coordination meetings in health and education sectors, in addition to technical assistance, training and capacity building of MDAs, and continuing to support the running costs of these fora.
2. Financing implementation of Annual Community Health Service Delivery Plans, education service delivery, salaries of EFMS' Eligible Civil Servants and Eligible Non-Salary Recurrent Costs against Implementing service delivery reforms strengthening resource management systems and the delivery education and health services at Eligible Federal Member State -level, ensuring that the Eligible Federal Member States' on-budget transfers for education and health services reach schools and communities, and strengthening public finance management and domestic revenue management in Eligible Federal Member States.
3. Strengthening Eligible Federal Member State resource management systems through, *inter alia*: (a) financing EAFS Units and their professionalization; (b) developing the institutional capabilities of ministries of health and education in the areas of finance, accounting and financial reporting, procurement, human resources and internal audit; (c) supporting the Office of the Accountant General in the institutional formation of the accounting cadre in the Eligible Federal Member States, professionalization and training needs assessment for the government's accounting cadre, developing a three-

- year strategic plan, and maintaining strategic regional partnerships; (d) building up expertise in social safeguards; and (e) the harmonization of the Chart of Accounts and fiscal reporting.
4. Supporting local governance in Eligible Federal Member States through (i) fostering intra-FMS dialogue with and capacity building of municipal/district governments selected in accordance with criteria set forth in the POM on functional and fiscal decentralization; (ii) provision of technical assistance on implementation of property taxation; (iii) building capacity of fit-for-purpose public financial management and payroll systems; (iv) promoting citizen engagement at all levels of government; and (v) advising on mechanisms to enable emergency financing in response to climate-related and other disasters.

**Component 3: Transfers for core government functions and foundational education and health service delivery mechanisms in Eligible Federal Member States**

1. (a) Financing the Eligible Federal Member States' Non-Salary Recurrent Costs and the salaries of Eligible Civil Servants in selected MDAs, as well as salaries of CIM Recruits through the provision of conditional federal grant transfers to Eligible Federal Member States pursuant to the Subsidiary Agreements; and (b) strengthening the institutional capacity of EFMS MoFs capacity to manage donor funds.
2. Financing teacher and non-teacher education staff salaries, implementing school supervision and accountability mechanism and supporting improved school budgetary planning and execution.
3. Scaling up the '*Marwo Caafimaad*' female health workers program to reach national coverage and strengthening the FGS' and EFMS' stewardship and management capacities, including contract management, data collection and analysis, enhanced monitoring and evaluation, and improved donor coordination.

**Component 4: Citizen Engagement and Feedback**

1. Improving budget transparency through citizenry participation in budget preparation and execution, increasing disclosure of budget information.
2. Promoting citizenry participation in service delivery at community level through: (a) mapping of selected service providers (with primary focus on health and education); (b) establishing two-way communication channels with selected service providers and service recipients for collecting feedback, verification of service delivery, and behavior change; (c) promoting community compacts between users/beneficiaries and service providers; and (d) implementing pilots in targeted areas.
3. Incorporating citizen feedback in the provision and improvements to education and health services and evaluating the Project impact on access and quality of these services.

## **Component 5: Project Management**

Strengthening the institutional capacity of the FGS and the EFMS for the coordination and implementation of Project activities, including compliance with procurement, financial management (including financial audits), social and environmental, communications, monitoring and evaluation, and reporting requirements therefor



## SCHEDULE 2

### Project Execution

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

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

1. The Recipient shall vest the overall responsibility for Project coordination and implementation in its Ministry of Finance (“MoF”).
2. Notwithstanding the foregoing, the Recipient shall:
  - (a) maintain the Project Steering Committee throughout the period of implementation of the Project, with representation from FGS’ MDAs and EFMS satisfactory to the Bank, as set forth in the POM; and vested with such powers, functions and competencies, acceptable to the Bank and set forth in the POM, as shall be required to review the Verification Reports and Progress Reports, and provide policy guidance, strategic decision-making and inter-institutional coordination for the implementation of the Project;
  - (b) maintain, throughout the period of implementation of the Project, the Project Implementation Unit (“PIU”), within MoF, with competent, experienced and qualified staff, in sufficient numbers and under terms of reference acceptable to the Bank as set forth in the POM, vested with such powers, financial resources, functions and competencies, acceptable to the Bank and set forth in the Project Operations Manual, necessary to carry out the day-to-day implementation of FGS’ Respective Activities under the Project, including: (i) coordinating all activities under the Project among all institutional stakeholders including the EFMS; (ii) carrying out procurement, contract management, budgeting and planning, safeguards compliance (ESCP), monitoring and reporting activities under the Project; (iii) implementing communications and citizen outreach programs; and (iv) serving as secretariat for the Project Steering Committee;
  - (c) maintain, throughout the period of implementation of the Project, a Project Management Team within MoF headed by a Project Coordinator assisted by competent, experienced and qualified staff, in sufficient numbers and under terms of reference acceptable to the Bank as set forth in the POM, vested with such powers, financial resources, functions and competencies, acceptable to the Bank and set forth in the Project Operations Manual, necessary to provide technical guidance to the PIU for the implementation of the Project; and
  - (d) maintain, and cause the EFMS to maintain, throughout the period of implementation of the Project, the EAFS Unit within MoF’s Office of

Accountant General and the respective EFMS' treasuries, 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 PIU and the respective EFMS's MDAs with the day-to-day financial management and fiduciary responsibilities for their Respective Activities under the Project.

3. In furtherance to the provisos of paragraph 1 and 2 above, the Recipient shall, or shall cause the Eligible Federal Member States to select and engage, by not later than three (3) months after the signing of the Subsidiary Agreement, and thereafter maintain throughout the period of implementation of the Project, the services of a health technical partner or a team of consultants with qualification and experience and under terms of reference acceptable to the Bank, to assist the Eligible Federal Member States with the implementation of Sub-component 3.3. of the Project, including procuring pharmaceuticals, managing and supervising the *Marwo Caafigimaad* program, developing the program's operational systems, strengthening linkages between program services and health facilities, and supporting/devising measures, including the use of digital tools, to increase the effectiveness and reach of program coverage and services.

**B. Subsidiary Agreements.**

1. To facilitate the carrying out of the EFMS' Respective Activities under the Project, the Recipient shall make the proceeds of the Financing allocated from time to time to Category (2) of the table set forth in Section III.1 of this Schedule available to the EFMS under the respective Subsidiary Agreement to be between the Recipient and each such EFMS, under terms and conditions approved by the Bank (the "Subsidiary Agreement").
2. The Recipient shall exercise its rights under the Subsidiary Agreement in such manner as to protect the interests of the Recipient and the 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 Subsidiary Agreement or any of its provisions.
3. In the event of any conflict between the provisions of the Subsidiary Agreements and those of this Agreement, the provisions of this Agreement shall govern.

**C. Project Documents**

1. The Recipient shall:
  - (a) update the Project Operations Manual ("POM") in a manner and substance satisfactory to the Bank, which manual shall set forth, *inter alia*: (i) roles and responsibilities of the FGS and the EFMS in the implementation of their Respective Activities under the Project including job

descriptions/terms of reference and allocation of functions and responsibilities, reporting and accountabilities lines for implementation units and Project staff; (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) eligibility criteria for the participation of EFMS under the Project; (vi) terms and conditions of the Subsidiary Agreements; (vii) eligibility criteria for the determination of Eligible Civil Servants whose salaries will be financed under the Project; (viii) the Verification Protocol applicable to certify the achievement of PBCs; (ix) the Project's results framework and monitoring indicators; (x) use of digital tools for improved performance monitoring including the relevant data privacy standards; and (xi) such other arrangements and procedures as shall be required for the effective implementation of the Project, in form and substance satisfactory to the Bank; and

(b) thereafter, implement the Project pursuant to the POM and the COAP Manual, in a manner and substance satisfactory to the Bank.

2. The Recipient shall refrain from amending, revising, waiving, voiding, suspending or abrogating, any provision of the POM and/or the COAP Manual, in respect of any sections of the COAP Manual the amendment of which would materially and adversely affect the ability of the Recipient to perform any of its obligations under this Agreement, 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. PBC Verification Arrangements**

The Recipient shall:

- (a) vest the responsibility for verifying the achievement of PBCs in the OAuG and, to that end select and engage, not later than six (6) months after the Effective Date, an independent third-party entity or entities (the

“Verification of Consultant(s)”, with qualifications, experience and terms of reference satisfactory to the Bank, to assist the OAuG with the verification process referred to in sub-paragraph (b) below;

- (b) undertake, at least semi-annually throughout the period of Project implementation, through the OAuG (with the assistance of the Verification Consultant(s)), a verification process, in a manner and substance satisfactory to the Bank, pursuant to the Verification Protocol agreed with the Bank and the provisions of the Project Operations Manual, to ascertain the achievement/fulfillment of the PBCs during the period under review; and
- (c) immediately thereafter, furnish to the Bank the corresponding verification reports (“Verification Reports”) in form and substance acceptable to the Bank.

**E. Annual Work Plans & Budgets**

The Recipient, through the PIU, shall:

- (a) prepare and furnish to the Bank on an annual basis, by no later than October 31 of each year, 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. Notwithstanding the foregoing, the Annual Work Plan and Budget for the first year of Project implementation shall be prepared by the Recipient by not later than one (1) month after the Effective Date;
- (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.

**F. Environmental and Social Standards.**

1. The Recipient shall, and shall cause the EFMS 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, and shall cause the EFMS to, ensure that the Project is implemented in accordance with the Environmental and Social Commitment Plan (“ESCP”), in a manner acceptable to the Bank. To this end, the Recipient shall, and shall cause the EFMS to, ensure that:

- (a) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, and 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 EFMS 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 people, and take all measures necessary and appropriate to resolve, or facilitate the resolution of, such concerns and grievances, in a manner acceptable to the Bank.
- 6. The Recipient shall ensure, and cause the EFMS to ensure, that all bidding documents and contracts for civil works under the Project include the obligation of contractors, and subcontractors and supervising entities to: (a) comply with the relevant aspects of ESCP and the environmental and social instruments referred to

therein; and (b) adopt and enforce codes of conduct that should be provided to and signed by all workers, detailing measures to address environmental, social, health and safety risks, and the risks of sexual exploitation and abuse, sexual harassment and violence against children, all as applicable to such civil works commissioned or carried out pursuant to said contracts.

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

### **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:

- (a) 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 Donor(s).

### **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:

<b>Category</b>	<b>Amount of the Grant Allocated (expressed in USD)</b>	<b>Percentage of Expenditures to be Financed (inclusive of Taxes)</b>
(1) Goods, works, non-consulting services, and consulting services, salaries of FGS' Eligible Civil Servants under Part 1.1 of the Project, FHW Program Costs, salaries of teachers and other critical education service delivery personnel, Training and Workshops, and Incremental Operating Costs for FGS's Respective Activities under the Project, except for Parts 1.2 and 2.2 of the Project.	5,000,000	0% until the proceeds under Category 1 of the Original Financing Agreement are fully disbursed, then, 65% thereafter
(2) Goods, works, non-consulting services, and consulting services, salaries of EFMS' Eligible Civil Servants, FHW Program Costs, salaries of teachers and other critical education service delivery personnel, Training and Workshops, and Incremental Operating Costs for the EFMS' Respective Activities under the Project, except for Parts 1.2 and 2.2 of the Project.	0	0%
<b>TOTAL AMOUNT</b>	5,000,000	

**B. Withdrawal Conditions; Withdrawal Period**

1. Notwithstanding the provisions of Part A of this Section no withdrawal shall be made for payments made prior to the Signature Date.
2. The Closing Date is December 31, 2023.

## APPENDIX

### Definitions

1. “Annual Work Plans & Budgets” means the yearly work plans and budgets to be prepared, approved and implemented by the Recipient pursuant to Section I.F of Schedule 2 to this Agreement as further elaborated in the Project Operations Manual.
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” and the acronym “BRA” means the regional authority established and operating as a regional member state administration established pursuant to Article 49 of the Recipient’s Provisional Constitution (2012).
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 operating accounting procedures manual dated January 1, 2019, 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, in respect of any sections of the COAP Manual the amendment of which would materially and adversely affect the ability of the Recipient to perform any of its obligations under this Agreement.
6. “Component” means each of the clustered Project activities grouped under the titles: “*Component 1: Recurrent cost finance to reform resource management systems*”; “*Component 2: Strengthen inter-governmental fiscal relations*”; “*Component 3: Transfers for core government functions and foundational education and health service delivery mechanisms in eligible Federal Member States*”; “*Component 4: Citizen Engagement and Feedback*”; and “*Component 5: Project Management*” in the description of the Project in Schedule 1 to this Agreement.
7. “EAFS Units” means the Recipient’s and the FMS-MoFs’ external assistance fiduciary section units established within MoF’s Office of the Accountant General and the FMS-MoFs, as the case may be, to carry out the overall financial management in respect of the external developmental assistance including proceeds received from the Bank.



8. “Eligible Civil Servants” means a civil service employee of the Recipient’s and/or the EFMS’ non security sectors who meets the eligibility criteria set forth in the Project Operations Manual (e.g. teachers, education officials, health workers, etc.).
9. “Eligible Federal Member State” and the acronym “EFMS” means each of the FMS and/or BRA that meets the eligibility criteria set forth in the Project Operations Manual.
10. “Eligible Non-Salary Recurrent Costs” means the EFMS’ non-salary operating costs that meet the eligibility criteria set forth in the Project Operations Manual.
11. “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated May 31, 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.
12. “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.
13. “Federal Government of Somalia” and the acronym “FGS” means the Recipient’s government.
14. “FHW Program Costs” means the reasonable costs incurred by the Recipient and/or the EFMS in the implementation of the ‘*Marwo Caafimaad*’ female health workers program as set forth in the Project Operations Manual.
15. “FMFF” means the Finance Ministers’ Fiscal Forum comprised of the ministers of finance of, and/or representatives from, MoF and FMS-MoFs.

16. “Financing Agreement” means the agreement of even date herewith between the Recipient and the International Development Association providing for the co-financing of the Project.
17. “FMFF” means the Finance Ministers’ Fiscal Forum comprised of the ministers of finance of, and/or representatives from, MoF and FMS-MoFs.
18. “FMS” means, collectively, each of the states constituting the Somali federation, as acknowledge in Article 48 of the Recipient’s Provisional Constitution (2012).
19. “FMS-MoFs” means the Ministries of Finance of the EFMS, or any successors to them acceptable to the Association.
20. “Incremental 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, excluding the salaries of the Recipient’s and the EFMS’s civil service.
21. “IT” means information technology.
22. “*Marwo Caafimaad*” means the Recipient’s female health worker program being implemented by the FGS and the EFMS pursuant to the “*Compendium to Implement Community Based Female Health Workers’ Program: The ‘Marwo Caafimaad’ Program*”, dated September 2014, as updated to the date of this Agreement.
23. “MDAs” means the ministries, departments and public agencies of the Recipient and/or the FMS.
24. “Ministry of Finance” and the acronym “MoF” mean the Recipient’s Ministry of Finance, or any successor to it acceptable to the Association.
25. “MoEs” means the Ministries of Education of the FMS and/or BRA, as the case may be, or any successors to them acceptable to the Association.
26. “MoHs” means the Ministries of Health of the FMS and/or BRA, as the case may be, or any successors to them acceptable to the Association.
27. “OAuG” means the Office of the Auditor General of the Recipient, or any successor acceptable to the Association.
28. “Office of the Accountant General” means the office of the Recipient’s Accountant General, or any successor acceptable to the Association.

29. “Original Financing Agreement” means the financing agreement between the Recipient and the International Development Association, dated June 23, 2020, as the same may be amended through the Effective Date of this Agreement.
30. “Original Project” means the project described in Schedule 1 to the Original Financing Agreement.
31. “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.
32. “Project Implementation Unit” and the acronym “PIU” mean the coordination unit established by the Recipient under the RCRFP Series and referred to in Section I.A.2(b) of Schedule 2 to this Agreement.
33. “Project Management Team” means the management team established by the Recipient under the RCRFP Series and referred to in Section I.A.2(c) of Schedule 2 to this Agreement.
34. “Project Operations Manual” and the acronym “POM” mean the Project operations manual adopted for the implementation of the RCRFP series as the same will be updated pursuant to subparagraph 1.(a) of Section I.C. 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.
35. “Project Steering Committee” means the steering committee established by the Recipient under the RCRFP Series and referred to in Section I.A.2(a) of Schedule 2 to this Agreement.
36. “RCRFP Series” means the series of projects financed by the International Development Association on its own behalf and as trustee of the Somalia Multi-Donor Partner Trust Fund, pursuant to TF Grants TF0A0534 and TF0A6971, and the Association’s Grant D378-SO.
37. “Respective Activities means:
  - (a) In respect of FGS: Component 1, Sub-component 2.1 and the activities under Sub-component 3.3 and Component 5 carried out at federal level; and
  - (b) In respect of the EFMS: Sub-components 2.2, 2.3, 2.4, 3.1 and 3.2 and Component 4, as well as the activities under Sub-component 3.3. and Component 5 carried out at a local/regional level.
38. “SEP” means the stakeholder engagement plan prepared by the Recipient dated May 8, 2020, as the same shall be: (a) further updated in a manner and substance satisfactory to the Association, pursuant to the ESCP and a condition precedent for

the effectiveness of this Agreement; and (b) disclosed on the Association’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 Association.

39. “Signature Date” means the later of the two dates on which the Recipient and the Bank signed this Agreement and such definition applies to all references to “the date of the Grant Agreement” in the Standard Conditions.
40. “Somalia Multi-Partner Fund” or “SMPF” means the Somalia Multi-Partner Fund Trust Fund No. TF072600 – parallel to original Trust Fund No. 072283.
41. “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 [with the modifications set forth in Section II of this Appendix].
42. “Sub-component” means each group of activities clustered in the same numbered paragraph within each of the Components 1 through 4, of the Project, individually considered.
43. “Subproject Agreement” means each of the fiscal transfer agreements to be entered into by and between the Recipient and each EFMS for purposes of regulating the on-granting of the proceeds of the Financing and the implementation arrangements, responsibilities and obligations, fiduciary and safeguards standards and agreed results for their Respective Activities under the Project, all pursuant to the provisions of Section I.B of Schedule 2 to this Agreement and the terms and conditions set forth in the POM, as the same may be amended from time to time with the prior written concurrence of the Bank.
44. “Training and Workshops” means the reasonable costs of training, workshops and conferences conducted in the territory of the Recipient, or, subject to prior approval by the Association, attended abroad by the Recipient’s and the EFMS’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.