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PEF GRANT NUMBER TF0B4364

# **Pandemic Emergency Financing Facility Grant Agreement**

**(Additional Financing for the Djibouti COVID-19 Response Project)**

**between**

**THE REPUBLIC OF DJIBOUTI**

**and**

**INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT  
and  
INTERNATIONAL DEVELOPMENT ASSOCIATION**

**acting as a Responding Agency of the Pandemic Emergency Financing Facility**

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**PANDEMIC EMERGENCY FINANCING FACILITY  
GRANT AGREEMENT**

AGREEMENT dated as of the Signature Date between REPUBLIC OF DJIBOUTI (“Recipient”) and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT and INTERNATIONAL DEVELOPMENT ASSOCIATION (“Bank”), acting as a Responding Agency of the Pandemic Emergency Financing Facility (“PEF”) for the purpose of providing additional financing to the Original Project (as defined in the Appendix to this Agreement).

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 to 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”) and the MPA Program. 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 nine hundred forty-two thousand eight hundred fifty-seven United States Dollars (\$942,857) (“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 evidence satisfactory to the Bank has been furnished to the Bank that the following condition, namely, 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 that 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.
- 4.02. 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 ("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.
- 4.03. This Agreement and all obligations of the parties under it shall terminate if it has not entered into effect by the date sixty (60) 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 its minister in charge of finance and budget.
- 5.02. For purposes of Section 7.01 of the Standard Conditions: (a) the Recipient's address is:

Ministry of Economy and Finance in charge of Industry  
BP 13  
Djibouti City  
Republic of Djibouti; and

- (b) the Recipient's Electronic Address is:

Facsimile: (253) 21358135

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

International Bank for Reconstruction and Development  
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  
64145 (MCI)

1-202-477-6391

AGREED as of the Signature Date.

**REPUBLIC OF DJIBOUTI**

By



\_\_\_\_\_  
**Authorized Representative**

Ilyas Moussa Dawaleh

**Name:** \_\_\_\_\_

Minister

**Title:** \_\_\_\_\_

08-déc.-2020

**Date:** \_\_\_\_\_

**INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT  
And  
INTERNATIONAL DEVELOPMENT ASSOCIATION  
acting as a Responding Agency of the Pandemic Emergency  
Financing Facility**

By



\_\_\_\_\_  
**Authorized Representative**

Marina Wes

**Name:** \_\_\_\_\_

Country Director

**Title:** \_\_\_\_\_

08-Dec-2020

**Date:** \_\_\_\_\_

## **SCHEDULE 1**

### **Project Description**

The objectives of the Project are to prevent, detect and respond to the threat posed by COVID-19 and strengthen national systems for public health preparedness.

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

#### **Part 1: Emergency COVID-19 Response**

Enhancing case detection, confirmation, tracing, recording contact tracing and risk assessment and mitigation; and reporting, including through: (a) strengthening disease surveillance systems, public health laboratories, and epidemiological capacity for early detection and confirmation of cases; (b) strengthening the Recipient's health management information system; (c) procurement of essential equipment and consumables for laboratory and diagnostic systems, including polymerase chain reaction machines, sample collection kits, test kits, and other equipment and supplies for COVID-19 testing and surveillance; (d) developing guidelines to establish standardized sample collection methods, channeling and transportation, and determining sites in need for introduction of point of care diagnostics; (e) strengthening of detection and reporting capacity through provision of Training of existing surveillance workers and health workers; (f) design and implementation of effective public health measures to prevent contagion, such as development of social distancing guidelines, associated communications, and implementation of risk communication and community engagement campaigns; and (g) strengthening multisectoral coordination and response.

#### **Part 2: Strengthening Overall Healthcare Services and Clinical Capacity for Emergency COVID-19 Response**

Supporting the Recipient to strengthen essential healthcare service delivery to be able to provide the best care possible, through *inter alia*: (a) strengthening selected health facilities by establishment and equipping quarantine and treatment centers for COVID-19 suspected and confirmed cases; (b) carrying out of minor civil works to repurpose isolation rooms and quarantine sites in selected health facilities, treatment centers, and warehouses; (c) Training of health personnel on treatment guidelines, and hospital infection control interventions; (d) procurement of essential inputs for treatment such as ventilators, pulse oximeters, laryngoscopes, oxygen generators, and other equipment/supplies for COVID-19 case management, medicine, vaccines, when available, as well as personal protective equipment, disinfectants and other commodities for infection prevention and control; (e) provision of support to ensure safe access to waste management, electricity, safe water and sanitation of hospitals, including the purchase, installation and maintenance of necessary incinerators; and (f) recruitment of needed medical and non-medical short-term consultants to respond to the COVID-19 in selected hospitals.

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

Supporting Project implementation and management including for: (a) procurement, financial management, environmental and social risk management, monitoring and evaluation, and reporting; (b) recruitment and Training of necessary staff; (c) Operating Costs; and (d) financing third party monitoring arrangements.

**Part 4: Contingent Emergency Response**

Providing immediate response to an Eligible Crisis or Emergency, as needed.

## SCHEDULE 2

### Project Execution

#### Section I. Institutional and Other Arrangements

##### A. Institutional Arrangements.

1. The Recipient shall carry out the Project through the Ministry of Health (“MoH”) and shall take all actions including the provision of funding, personnel and other resources necessary to enable the MoH to perform its functions.
2. In order to ensure proper oversight of the Project and coordination among the Recipient’s ministries and agencies involved in the Project, the Recipient, through the MoH, shall maintain at all times during the implementation of the Project, the Epidemic Management Committee (MoH EMC), with composition and mandate acceptable to the Bank. To this end, the MoH EMC shall meet at least biannually, approve work plans and budgets, oversee Project implementation, and provide overall guidance.
3. The Recipient, through MoH, shall maintain, the Technical Committee, to be in charge of overall Project implementation, with composition, mandate, staffing and other resources satisfactory to the Bank; all in accordance with the provisions of the Project Implementation Manual.

##### B. Implementation Covenants

###### 1. Project Implementation Manual

- (a) The Recipient shall by no later than one (1) month, after the Effective Date, revise and update in accordance with terms of reference acceptable to the Bank, the Project manual (“Project Implementation Manual”) containing detailed guidelines and procedures for the implementation of the Project, including with respect to: administration and coordination, monitoring and evaluation, financial management, procurement and accounting procedures, environmental and social safeguards, corruption and fraud mitigation measures, a grievance redress mechanism, personal data collection and processing in accordance with the applicable WHO and national guidelines, roles and responsibilities for Project implementation, and such other arrangements and procedures as shall be required for the effective implementation of the Project, in form and substance satisfactory to the Bank.
- (b) The Recipient shall carry out the Project in accordance with the Project Implementation Manual.



- (c) The Recipient shall ensure that the Project Implementation Manual is not amended, suspended, repealed or abrogated without the prior written approval of the Bank.
- (d) In the event of any conflict between the provisions of the Project Implementation Manual and, this Agreement, the provisions of this Agreement shall prevail.

2. Work Plan and Budget

For purposes of implementation of the Project, the Recipient shall:

- (a) prepare each year a draft containing all activities and expenditures to be included in the Project for the following year of Project implementation, of such scope and detail as the Bank shall have reasonably requested;
- (b) furnish to the Bank, as soon as available, but in any case not later than December 15 of each year, the consolidated annual work plan and budget referred to in paragraph 1 above, for their review and approval; except for the annual work plan and budget for the Project for the first year of Project implementation, which shall be furnished no later than one month after the Effective Date. Only the activities included in an annual work plan and budget expressly approved by the Bank (each an “Annual Work Plan and Budget”) are eligible to a financing from the proceeds of the Grant;
- (c) ensure that the Project is carried out in accordance with the Annual Work Plans and Budgets, provided, however, that in case of any conflict between the Annual Work Plan and Budget and the provisions of this Agreement, the provisions of this Agreement shall prevail; and
- (d) except as the Bank shall otherwise agree, not amend, abrogate or waive any provision of the Annual Work Plan and Budget.

**C. Contingent Emergency Response Mechanism**

1. In order to ensure the proper implementation of Part 4 of the Project (“CERC Part”), the Recipient shall take the following measures:

- (a) prepare and furnish to the Bank for its review and approval, an operations manual which shall set forth detailed implementation arrangements for the CERC Part, including: (i) designation of, terms of reference for and resources to be allocated to, the entity to be responsible for coordinating and implementing the CERC Part (“Coordinating Authority”); (ii) specific activities which may be included in the CERC Part, Eligible Expenditures required therefor (“Emergency Expenditures”), and any procedures for such inclusion; (iii) financial management arrangements for the CERC

Part; (iv) procurement methods and procedures for Emergency Expenditures to be financed under the CERC Part; (v) documentation required for withdrawals of Emergency Expenditures; (vi) environmental and social standard management frameworks for the CERC Part, consistent with the Bank's policies on the matter; and (vii) any other arrangements necessary to ensure proper coordination and implementation of the CERC Part;

- (b) afford the Bank a reasonable opportunity to review said proposed operations manual;
  - (c) promptly adopt such operations manual for the CERC Part as shall have been approved by the Bank ("CERC Operations Manual") no later than six (6) months after the Effective Date;
  - (d) ensure that the CERC Part is carried out in accordance with the CERC Operations Manual; provided, however, that in the event of any inconsistency between the provisions of the CERC Operations Manual and this Agreement, the provisions of this Agreement shall prevail; and
  - (e) not amend, suspend, abrogate, repeal or waive any provision of the CERC Operations Manual without prior approval by the Bank.
2. The Recipient shall, throughout the implementation of the CERC Part, maintain the Coordinating Authority, with adequate staff and resources satisfactory to the Bank.
3. The Recipient shall undertake no activities under the CERC Part (and no activities shall be included in the CERC Part) unless and until the following conditions have been met in respect of said activities:
- (a) the Recipient has determined that an Eligible Crisis or Emergency has occurred, has furnished to the Bank a request to include said activities in the CERC Part in order to respond to said Eligible Crisis or Emergency, and the Bank has agreed with such determination, accepted said request and notified the Recipient thereof; and
  - (b) the Recipient has prepared and disclosed all Environmental and Social Standards instruments required for said activities, in accordance with the CERC Operations Manual, the Bank has approved all such instruments, and the Recipient has implemented any actions which are required to be taken under said instruments.

**C. Environmental and Social Standards**

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

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

**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, Training and Operating Costs under Parts 1(c) and Part 2 (d) of the Project	US\$942,857	100%
<b>TOTAL AMOUNT</b>	US\$942,857	

**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 January 31, 2021.

## APPENDIX

### Definitions

1. “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.
2. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
3. “CERC Part of the Project” and “CERC Part” each means Part 4 of the Project.
4. “COVID-19” means the coronavirus disease caused by the 2019 novel coronavirus (SARS-CoV-2).
5. “Contingent Emergency Response Operations Manual” and “CERC Operations Manual” each means the operations manual referred to in Section I.C of this Agreement, to be adopted by the Recipient for the CERC Part of the Project in accordance with the provisions of said Section.
6. “Coordinating Authority” the entity or entities designated by the Recipient in the CERC Operations Manual and approved by the Bank pursuant to Section I.C of Schedule 2 to this Agreement, to be responsible for coordinating the CERC Part of the Project.
7. “Eligible Crisis or Emergency” means an event that has caused, or is likely to imminently cause, a major adverse economic and/or social impact to the Recipient, associated with a natural or man-made crisis or disaster.
8. “Emergency Expenditures” means the eligible expenditures required to finance the cost of the approved list of goods, works, and services necessary to support emergency mitigation, response and recovery, under Part 4 of the Project and set forth in the Emergency Response Operations Manual.
9. “Emergency Response Operations Manual” means the operations manual to be adopted by the Recipient for Part 4 of the Project in accordance with the provisions of Section I.C of Schedule 2 to this Agreement.
10. “Emergency Preparedness and Response Plan” and “EPRP” mean the Recipient’s emergency preparedness and response plan for COVID-19, dated March 18, 2020 and acceptable to the Bank, as said document may be modified from time to time during the Emergency, and such term includes all schedules and annexes to said document.

11. “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated November 10, 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.
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 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. “Financing Agreement” means the Financing Agreement for a Djibouti COVID-19 Response Project between the Recipient and the International Development Association dated April 3, 2020 (Credit Number 6600-DJ).
14. “Ministry of Health” or “MoH” means the Recipient’s Ministry of Health, or any successor thereto.
15. “MoH EMC” means the Epidemic Management Committee, created within the MoH to provide overall guidance to the Project.
16. “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.
17. “Operating Costs” means the reasonable incremental expenses incurred by the Recipient on account of Project implementation, including costs related to audits, office equipment and supplies, vehicle operation and maintenance, shipping costs, office rentals, communication and insurance costs, office administration costs, bank charges, utilities, transport costs, travel, *per diem* and supervision costs, and

salaries of contracted employees, including reasonable hazard/indemnity pay, but excluding salaries of officials of the Recipient's civil service.

18. "Original Project" means the Project described in Schedule 1 to the Financing Agreement.
19. "Procurement Regulations" means, for purposes of paragraph 20 of the Appendix to the Standard Conditions, the "World Bank Procurement Regulations for IPF Borrowers", dated July 2016, revised November 2017 and August 2018.
20. "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.
21. "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.
22. "Technical Committee" means the committee established in January 28, 2020, is headed by the Secretary General of the MOH and includes representatives of the National Public Health Institute, hospitals, and other MOH departments, to be in charge of Project implementation.
23. "Training" means the reasonable costs associated with training under the Project, based on the relevant Annual Work Plan and Budget, and attributable to study tours, training courses, seminars, workshops and other training activities, not included under service providers' contracts, including costs of training materials, space and equipment rental, travel, accommodation and *per diem* costs of trainees and trainers, trainers' fees, and other training related miscellaneous costs.
24. "WHO" means the World Health Organization.