

**CONFORMED COPY**

**LOAN NUMBER 7585-BB**

# **Loan Agreement**

**(Second HIV/AIDS Project)**

**between**

**BARBADOS**

**and**

**INTERNATIONAL BANK FOR RECONSTRUCTION  
AND DEVELOPMENT**

**Dated September 25, 2008**

**LOAN NUMBER 7585-BB**

**LOAN AGREEMENT**

Agreement dated September 25, 2008, between BARBADOS (“Borrower”) and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (“Bank”). The Borrower and the Bank hereby agree as follows:

**ARTICLE I — GENERAL CONDITIONS; DEFINITIONS**

- 1.01. The General Conditions (as defined in the Appendix to this Agreement) constitute an integral 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 — LOAN**

- 2.01. The Bank agrees to lend to the Borrower, on the terms and conditions set forth or referred to in this Agreement, the amount of thirty five million Dollars (\$35,000,000), as such amount may be converted from time to time through a Currency Conversion in accordance with the provisions of Section 2.07 of this Agreement (“Loan”), to assist in financing the project described in Schedule 1 to this Agreement (“Project”).
- 2.02. The Borrower may withdraw the proceeds of the Loan in accordance with Section IV of Schedule 2 to this Agreement.
- 2.03. The Front-end Fee payable by the Borrower shall be equal to one quarter of one percent (0.25%) of the Loan amount.
- 2.04. The interest payable by the Borrower for each Interest Period shall be at a rate equal to LIBOR for the Loan Currency plus the Fixed Spread; provided that, upon a Conversion of all or any portion of the principal amount of the Loan, the interest payable by the Borrower during the Conversion Period on such amount shall be determined in accordance with the relevant provisions of Article IV of the General Conditions. Notwithstanding the foregoing, if any amount of the Withdrawn Loan Balance remains unpaid when due and such non-payment continues for a period of thirty days, then the interest payable by the Borrower shall instead be calculated as provided in Section 3.02 (d) of the General Conditions.
- 2.05. The Payment Dates are February 15 and August 15 in each year.

- 2.06. The principal amount of the Loan shall be repaid in accordance with the provisions of Schedule 3 to this Agreement.
- 2.07. (a) The Borrower may at any time request any of the following Conversions of the terms of the Loan in order to facilitate prudent debt management: (i) a change of the Loan Currency of all or any portion of the principal amount of the Loan, withdrawn or unwithdrawn, to an Approved Currency; (ii) a change of the interest rate basis applicable to all or any portion of the principal amount of the Loan from a Variable Rate to a Fixed Rate, or vice versa; and (iii) the setting of limits on the Variable Rate applicable to all or any portion of the principal amount of the Loan withdrawn and outstanding by the establishment of an Interest Rate Cap or Interest Rate Collar on the Variable Rate.
- (b) Any conversion requested pursuant to paragraph (a) of this Section that is accepted by the Bank shall be considered a “Conversion”, as defined in the General Conditions, and shall be effected in accordance with the provisions of Article IV of the General Conditions and of the Conversion Guidelines.
- (c) Promptly following the Execution Date for an Interest Rate Cap or Interest Rate Collar for which the Borrower has requested that the premium be paid out of the proceeds of the Loan, the Bank shall, on behalf of the Borrower, withdraw from the Loan Account and pay to itself the amounts required to pay any premium payable in accordance with Section 4.05 (c) of the General Conditions up to the amount allocated from time to time for the purpose in the table in Section IV of Schedule 2 to this Agreement.

### **ARTICLE III — PROJECT**

- 3.01. The Borrower declares its commitment to the objective of the Project. To this end, the Borrower shall carry out the Project through its Ministry of Family, Youth, Sports and Environment (acting through the National HIV/AIDS Commission (NHAC)), in accordance with the provisions of Article V of the General Conditions.
- 3.02. Without limitation upon the provisions of Section 3.01 of this Agreement, and except as the Borrower and the Bank shall otherwise agree, the Borrower shall ensure that the Project is carried out in accordance with the provisions of Schedule 2 to this Agreement.

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

- 4.01. Without prejudice to the General Conditions, the Effectiveness Deadline is the date ninety (90) days after the date of this Agreement, but in any case no later than eighteen (18) months after the Bank’s approval of the Loan which expire on February 8, 2010.

**ARTICLE V — REPRESENTATIVE; ADDRESSES**

5.01. The Borrower's Representative is its Minister of Finance.

5.02. The Borrower's Address is:

Ministry of Finance, Economic Affairs and Energy  
Government Headquarters,  
Bay Street,  
St. Michael  
Barbados

Facsimile:	Telephone:
1-246-429-4032	1-246-436-6435

5.03. The Bank's Address is:

International Bank for Reconstruction and Development  
1818 H Street, N.W.  
Washington, D.C. 20433  
United States of America

Cable address:	Telex:	Facsimile:
INTBAFRAD Washington, D.C.	248423(MCI) or 64145(MCI)	1-202-477-6391

AGREED at the District of Columbia, United States of America, as of the day and year first above written.

**BARBADOS**

**By /s/ Michael King**

**Authorized Representative**

**INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT**

**By /s/ Alan Carroll**

**Authorized Representative**

## **SCHEDULE 1**

### **Project Description**

The objective of the Project is to support the implementation of the Borrower's National HIV/AIDS Strategic Plan (NSP), specifically to increase: (a) adoption of safe behaviors, in particular amongst key populations at higher risk of HIV/AIDS infection; (b) access to prevention, treatment and social care, in particular for said key populations; (c) capacity of organizational and institutional structures that govern the National AIDS Program; and (d) use of quality data for problem identification, strategy definition and measuring results.

The Project consists of the following parts subject to such modifications thereof as the Borrower and the Bank may agree upon from time to time to achieve such objective:

#### Part 1. Prevention and Care

(a) Supporting national program coordination and monitoring to strengthen the capacity of the public and private sectors and civil society partners to coordinate, monitor and evaluate their activities and use data to increase the quality of their programs by, *inter alia*, providing grants to support, for up to a period of 30 months per grant, subprojects carried out by civil society organizations to increase the establishment of self-help and support groups by and for key populations at higher risk and to provide for institutional strengthening especially in the areas of surveillance and monitoring and evaluation.

(b) Supporting the scaling up of prevention efforts to increase access to preventive services, including behavior change communication, HIV/AIDS and STI prevention and treatment, and the provision of condoms, especially among key populations at higher risk.

(c) Supporting the improvement of access to diagnostic services, treatment services and social care by people living with HIV with a view to increasing the length and quality of their lives.

#### Part 2. Institutional Strengthening

Strengthening agencies and civil society organizations to support the implementation of the NSP, by providing training and technical assistance, that cannot be funded under the NSP, on monitoring and evaluation, management, surveillance, prevention, diagnosis, treatment and care of HIV/AIDS and other STIs.

## SCHEDULE 2

### Project Execution

#### Section I. Implementation Arrangements

##### A. Institutional Arrangements.

1. The Borrower shall operate and maintain within the NHAC, at all times during Project implementation, a Project coordinating unit with structure, functions and responsibilities acceptable to the Bank, including, *inter alia*, the responsibility to assist the Borrower in:
  - (i) procurement, disbursement and financial management aspects of the Project; and
  - (ii) coordination, monitoring and supervision of the Project.
2. The NHAC shall implement the Project in collaboration with the Borrower's Ministries of Health, Education, Labour, Tourism, Home Affairs, Community Development and Culture and Social Care, Constituency Empowerment and Urban Development, as well as the Office of the Attorney General and civil society organizations.
3. (a) The Borrower shall carry out the Project in accordance with an operational manual, satisfactory to the Bank, such manual to include, *inter alia*:
  - (i) the Project implementation plan;
  - (ii) the detailed description of the Eligible Program Expenditures including the budgets by year, Borrower's ministry and procurement category, respectively, included under Part 1 of the Project;
  - (iii) with respect to the grants under Part 1 (a) of the Project:
    - (A) the criteria for approval and the procedures for the implementation and monitoring of subprojects supported by such grants;
    - (B) the criteria for eligibility of the beneficiaries of the grants; and
    - (C) the model grant agreement for the provision of funds and the implementation of subprojects;
  - (iv) the reporting procedures and the agreed format of the Financial Statements, chart of accounts and the interim unaudited financial reports;
  - (v) the detailed description of the Project disbursement mechanism; and
  - (vi) the procedures for monitoring and evaluating the Project, including a description of the technical audit mechanism referred to in paragraph 4 of Section II.B of this Schedule;
- (b) The Operational Manual may be amended by the Borrower from time to time with the prior approval of the Bank. In the case of any conflict between the terms of the

Operational Manual and those of this agreement, the terms of this Agreement shall prevail.

4. If, at any time, the Bank determines that any portion of the financing under the Project was used for items improperly procured in violation of Section III to this Schedule, was not used for EPE or, was not supported by evidence of actual spending by the Borrower under said EPE and/or by evidence of satisfaction of other criteria set forth in this Agreement or in the Operational Manual, the Borrower shall promptly refund any such portion to the Bank as the Bank shall specify by notice to the Borrower.
5. By October 15, 2008, the Borrower shall hire in its Ministry of Family, Youth, Sports and Environment a financial management specialist with qualifications and experience satisfactory to the Bank.

**B. Anti-Corruption**

The Borrower shall ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.

**C. Safeguards**

1. The Borrower shall carry out the Project in accordance with the Biomedical Waste Management Action Plan.
2. The Borrower shall maintain throughout Project implementation, the Infection Control Unit of the Borrower's Queen Elizabeth Hospital, with staffing and responsibilities acceptable to the Bank for the purposes of the Project.

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

**A. Project Reports**

1. (a) The Borrower shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 5.08 of the General Conditions and on the basis of the indicators set forth below in sub-paragraph (b) of this paragraph. Each Project Report shall cover the period of one calendar semester, and shall be furnished to the Bank not later than 45 days after the end of the period covered by such report.
- (b) The performance indicators referred to above in sub-paragraph (a) consist of the following:
  - (i) Maintain the percentage of young people aged 15-24 years spontaneously indicating sexual relations as a way of transmitting HIV at a level of at least 90% during 2008 to 2013.
  - (ii) Increase the percentage of sex workers who report the use of a condom with their most recent client from 80% in 2008 to 95% in 2013.



- (iii) Increase the percentage of men who have sex with men reporting the use of a condom the last time they had sex from 65% in 2008 to 75% in 2013.
- (iv) Increase the percentage of young people aged 15-24 years reporting the use of a condom the last time they had sex with a non-marital, non-cohabitating sexual partner from 21% in 2008 to 31 % in 2013.
- (v) Increase in the number of people from key populations at higher risk accessing preventive services from 250 in 2009 to 500 in 2013.
- (vi) Maintain the percentage of HIV-positive pregnant women receiving a complete course of anti-retroviral prophylaxis to reduce the risk of mother to child transmission above 95% during 2008 to 2013.
- (vii) Maintain the percentage of people living with HIV on antiretroviral treatment achieving virologic success in the last 12 months above 70% during 2008 to 2013.
- (viii) Increase in the funds disbursed to civil society organizations under results-based agreements with the NHAC to facilitate implementation of targeted program interventions for key populations at higher risk during 2008 to 2013.
- (ix) Prepare a Strategic Plan for 2013-2018 based on surveillance and monitoring and evaluation data gathered during the Project.

**B. Financial Management, Financial Reports and Audits**

1. The Borrower shall maintain or cause to be maintained a financial management system in accordance with the provisions of Section 5.09 of the General Conditions.
2. The Borrower shall prepare and furnish to the Bank as part of the Project Report not later than 45 days after the end of each calendar semester, interim unaudited financial reports for the Project covering the semester, in form and substance satisfactory to the Bank.
3. The Borrower shall have its Financial Statements audited in accordance with the provisions of Section 5.09 (b) of the General Conditions. Each audit of the Financial Statements shall cover the period of one fiscal year of the Borrower. The audited Financial Statements for each such period shall be furnished to the Bank not later than six months after the end of such period.
4. The Borrower shall hire an entity, independent of the Borrower and satisfactory to the Bank, with experience in HIV/AIDS program implementation and monitoring and evaluation, to conduct audits, under terms of reference satisfactory to the Bank, of the Project twice during the Project, particularly focused on the achievement of the technical results that are linked to disbursements of the Loan.

**Section III. Procurement**

**A. General**

1. **Goods.** All goods required for the Project and to be financed out of the proceeds of the Loan shall be procured in accordance with the requirements set forth or referred to in Section I of the Procurement Guidelines, and with the provisions of this Section.
2. **Consultants' Services.** All consultants' services required for the Project and to be financed out of the proceeds of the Loan shall be procured in accordance with the requirements set forth or referred to in Sections I and IV of the Consultant Guidelines and with the provisions of this Section.
3. **Definitions.** The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the Bank of particular contracts refer to the corresponding method described in the Procurement Guidelines, or Consultant Guidelines, as the case may be.

**B. Particular Methods of Procurement of Goods**

1. **International Competitive Bidding.** Except as otherwise provided in paragraph 2 below, goods shall be procured under contracts awarded on the basis of International Competitive Bidding.
2. **Other Methods of Procurement of Goods.** The following table specifies the methods of procurement, other than International Competitive Bidding, which may be used for goods. The Procurement Plan shall specify the circumstances under which such methods may be used.

<b><u>Procurement Method</u></b>
(a) Limited International Bidding
(b) National Competitive Bidding
(c) Shopping
(d) Direct Contracting

**C. Particular Methods of Procurement of Consultants' Services**

1. **Quality- and Cost-based Selection.** Except as otherwise provided in paragraph 2 below, consultants' services shall be procured under contracts awarded on the basis of Quality and Cost-based Selection.
2. **Other Methods of Procurement of Consultants' Services.** The following table specifies the methods of procurement, other than Quality and Cost-based Selection, which may be used for consultants' services. The Procurement Plan shall specify the circumstances under which such methods may be used.

<b><u>Procurement Method</u></b>
(a) Quality-based Selection
(b) Selection under a Fixed Budget
(c) Least Cost Selection
(d) Selection based on Consultants' Qualifications
(e) Single-Source Selection
(f) Selection of Individual Consultants

**D. Review by the Bank of Procurement Decisions**

The Procurement Plan shall set forth those contracts which shall be subject to the Bank's Prior Review. All other contracts shall be subject to Post Review by the Bank.

**Section IV. Withdrawal of Loan Proceeds**

**A. General**

1. The Borrower may withdraw the proceeds of the Loan in accordance with the provisions of Article II of the General Conditions, this Section, and such additional instructions as the Bank shall specify by notice to the Borrower (including the "World Bank Disbursement Guidelines for Projects" dated May 2006, as revised from time to time by the Bank and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the table in paragraph 2 below.
2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Loan ("Category"), the allocation of the amounts of the Loan to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category.

<b>Category</b>	<b>Amount of the Loan Allocated (expressed in USD)</b>	<b>Percentage of Expenditures to be financed (exclusive of Taxes)</b>
(1) Eligible Program Expenditures (EPE)	31,412,500	35% subject to Part B paragraphs 1 through 4 below
(2) Goods and consultants' services under Part 2 of the Project	3,500,000	79%
(3) Front-end Fee	87,500	Amount payable pursuant to Section 2.03 of this Agreement in accordance with Section 2.07 (b) of the General Conditions
(4) Premia for Interest Rate Caps and Interest Rate Collars	0	Amount payable pursuant to Section 2.07 (c) of this Agreement
<b>TOTAL AMOUNT</b>	<b>35,000,000</b>	

**B. Withdrawal Conditions; Withdrawal Period**

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made:

(a) for payments made prior to the date of this agreement, except that withdrawals up to an aggregate amount not to exceed 20% of the Loan amount may be made for EPE incurred within no more than one year prior to the date of this Agreement but on or after April 1, 2008; or

(b) for payments made under Category (1) unless all conditions referred to in the additional instructions referred to in Section IV.A.1 of this Schedule (including compliance with the Milestones and DLIs, referred to in the Appendix to this Agreement, when applicable) have been met.

2. If the Bank has:

(a) received evidence of partial compliance with the Milestone that corresponds to the relevant withdrawal referred to in paragraphs 1 (b) through (k) of Section IV of the additional instructions (referred to in Section IV.A.1 of this Schedule), then the maximum amount of the corresponding withdrawal shall be reduced in proportion to the degree of non-compliance of the said Milestone (in addition to the reduction that may also result from application of paragraph 2 (b)(i) below);

(b) received evidence of partial compliance with one or more Disbursement-linked Indicators (DLI) that corresponds to the relevant withdrawal referred to in paragraphs 1 (b) through (k) of Section IV of the additional instructions (referred to in Section IV.A.1 of this Schedule), then: (i) the Bank shall allocate a base value of \$1 million for each DLI that has been partially complied with and reduce the maximum amount of the corresponding withdrawal by that portion of said base value that corresponds to the degree of non-compliance with the relevant DLI; (ii) the Borrower shall submit to the Bank a time-bound action plan to achieve, in a manner satisfactory to the Bank, such target or targets set forth in the relevant subparagraph of paragraph 1 of Section IV of the additional instructions (referred to in Section IV.A.1 of this Schedule); and (iii) as soon as the Bank is satisfied that such action plan has been implemented, the Bank shall authorize the withdrawal of the amount by which the corresponding withdrawal had been reduced, by application of the formula defined in 2(b)(i), at the time of the next scheduled disbursement; and

(c) reduced the withdrawal provided for in any of the paragraphs 1(b) through (j) of Section IV of the additional instructions (referred to in Section IV.A.1 of this Schedule), due to partial compliance with the Milestones or DLIs, then the Bank shall authorize the unwithdrawn portion of the Loan resulting from this partial compliance to be carried forward to the eleventh withdrawal referred to in paragraph 1(k) of Section IV of the additional instructions (referred to in Section IV.A.1 of this Schedule), except in so far as the amount by which the withdrawal has been reduced was subsequently disbursed by operation of paragraph 2(b)(iii) above.

3. In the event that the Bank has not approved a full withdrawal by the Borrower of the Loan proceeds under Category 1, the Bank may by notice to the Borrower cancel the corresponding amount of the Loan at the time of the eleventh disbursement (as referred to in

paragraph 1 (k) of Section IV of the additional instructions (referred to in Section IV.A.1 of this Schedule).

4. A table of projected EPE required for the determination of compliance with the related Milestone and, in the case of partial compliance, necessary for the calculation of the pro-rated amount of the corresponding withdrawal, is set forth at paragraph 1 of the Annex to Schedule 2 of this Agreement.

5. Closing Date is November 30, 2013.

**Annex A**

**to**

**SCHEDULE 2**

**Provisions Applicable to Calculating  
the amount of Withdrawals  
referred to in Paragraph 1 of Section IV.B of Schedule 2**

**1. Projected Eligible Program Expenditures (EPE)**

	<b>Period</b>				
	<b>First half FY09</b>	<b>Total FY09</b>	<b>FY10</b>	<b>FY11</b>	<b>FY12</b>
<b>Projected EPE in US Dollars</b>	<b>6,500,000</b>	<b>14,116,654</b>	<b>17,685,773</b>	<b>20,939,724</b>	<b>24,686,644</b>

### SCHEDULE 3

#### Amortization Schedule

1. The following table sets forth the Principal Payment Dates of the Loan and the percentage of the total principal amount of the Loan payable on each Principal Payment Date (“Installment Share”). If the proceeds of the Loan have been fully withdrawn as of the first Principal Payment Date, the principal amount of the Loan repayable by the Borrower on each Principal Payment Date shall be determined by the Bank by multiplying: (a) Withdrawn Loan Balance as of the first Principal Payment Date; by (b) the Installment Share for each Principal Payment Date, such repayable amount to be adjusted, as necessary, to deduct any amounts referred to in paragraph 4 of this Schedule, to which a Currency Conversion applies.

<b>Principal Payment Date</b>	<b>Installment Share (Expressed as a Percentage)</b>
On each February 15 and August 15  Beginning August 15, 2013 through February 15, 2038	2%

2. If the proceeds of the Loan have not been fully withdrawn as of the first Principal Payment Date, the principal amount of the Loan repayable by the Borrower on each Principal Payment Date shall be determined as follows:
  - (a) To the extent that any proceeds of the Loan have been withdrawn as of the first Principal Payment Date, the Borrower shall repay the Withdrawn Loan Balance as of such date in accordance with paragraph 1 of this Schedule.
  - (b) Any amount withdrawn after the first Principal Payment Date shall be repaid on each Principal Payment Date falling after the date of such withdrawal in amounts determined by the Bank by multiplying the amount of each such withdrawal by a fraction, the numerator of which is the original Installment Share specified in the table in paragraph 1 of this Schedule for said Principal Payment Date (“Original Installment Share”) and the denominator of which is the sum of all remaining Original Installment Shares for Principal Payment Dates falling on or after such date, such amounts repayable to be adjusted, as necessary, to deduct any amounts referred to in paragraph 4 of this Schedule, to which a Currency Conversion applies.
3. (a) Amounts of the Loan withdrawn within two calendar months prior to any Principal Payment Date shall, for the purposes solely of calculating the principal amounts payable on any Principal Payment Date, be treated as withdrawn and outstanding on the second Principal Payment Date following the date of withdrawal and shall be repayable on each Principal Payment Date commencing with the second Principal Payment Date following the date of withdrawal.

- (b) Notwithstanding the provisions of sub-paragraph (a) of this paragraph, if at any time the Bank adopts a due date billing system under which invoices are issued on or after the respective Principal Payment Date, the provisions of such sub-paragraph shall no longer apply to any withdrawals made after the adoption of such billing system.
- 4. Notwithstanding the provisions of paragraphs 1 and 2 of this Schedule, upon a Currency Conversion of all or any portion of the Withdrawn Loan Balance to an Approved Currency, the amount so converted in the Approved Currency that is repayable on any Principal Payment Date occurring during the Conversion Period, shall be determined by the Bank by multiplying such amount in its currency of denomination immediately prior to the Conversion by either: (i) the exchange rate that reflects the amounts of principal in the Approved Currency payable by the Bank under the Currency Hedge Transaction relating to the Conversion; or (ii) if the Bank so determines in accordance with the Conversion Guidelines, the exchange rate component of the Screen Rate.
- 5. If the Withdrawn Loan Balance is denominated in more than one Loan Currency, the provisions of this Schedule shall apply separately to the amount denominated in each Loan Currency, so as to produce a separate amortization schedule for each such amount.



## APPENDIX

### Definitions

1. “AIDS” means Acquired Immune Deficiency Syndrome.
2. “Anti-Corruption Guidelines” means the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006.
3. “Biomedical Waste Management Action Plan” means the plan for the management of biomedical waste prepared by the Borrower under Part B.8 (b) of the HIV/AIDS Prevention and Control Project, as referred to in Loan Agreement number 7066-BAR entered into between the Borrower and the Bank on July 6, 2001.
4. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
5. “Consultant Guidelines” means the “Guidelines: Selection and Employment of Consultants by World Bank Borrowers” published by the Bank in May 2004 and revised in October 2006.
6. “Disbursement-linked Indicator” or “DLI” means any of the following indicators: (a) the percentage of HIV-positive pregnant women receiving a complete course of anti-retroviral prophylaxis to reduce the risk of mother to child transmission; (b) the percentage of young people aged 15-24 years spontaneously indicating sexual relations as a way of transmitting HIV; and (c) the percentage of young people aged 15-24 reporting the use of a condom the last time they had sex with a non-marital, non-cohabitating sexual partner.
7. “Eligible Program Expenditures” or “EPE” means the expenditures for the reasonable cost of goods, consultants’ services, Grants and operational costs necessary to carry out Part 1 of the Project (and thus constitutes a subset of the Eligible Expenditures defined in the General Conditions).
8. “Fiscal Year” means the Borrower’s financial year April 1 of the preceding year through March 31 of the stated year.
9. “General Conditions” means the “International Bank for Reconstruction and Development General Conditions for Loans”, dated July 1, 2005 (as amended through February 12, 2008).
10. “Grants” means expenditures for goods and consultants’ services under Part 1(a) of the Project, incurred by civil society organizations using the proceeds of the Loan.
11. “HIV” means Human Immune-deficiency Virus.

12. “Operational Manual” means the manual, dated August 5, 2008, for the operation of the Project referred to in paragraph 3 of Section I.A of Schedule 2 to this Agreement as the same may be amended from time to time.
13. “Milestone” means either of the following indicators: (a) approval by the Borrower of an increase of the NSP budget to a stated sum for the corresponding Fiscal Year; or (b) disbursement by the Borrower of at least 70% of the EPE for the corresponding Fiscal Year.
14. “National AIDS Program” means the Borrower’s program to prevent and control AIDS at a national level.
15. “NHAC” means the Borrower’s National HIV/AIDS Commission established pursuant to the Borrower’s Cabinet Decision Number 1369/MH 61, dated November 23, 2000.
16. “NSP” means National Strategic Plan for HIV Prevention and Control 2008-2013, which is the five year strategic plan developed by the Borrower to prevent and control HIV/AIDS and approved by the Borrower’s Cabinet of Ministers on March 27, 2008.
17. “Procurement Guidelines” means the “Guidelines: Procurement under IBRD Loans and IDA Credits”, published by the Bank in May 2004 and revised in October 2006.
18. “Procurement Plan” means the Borrower’s procurement plan for the Project, dated June 24, 2008 and referred to in paragraph 1.16 of the Procurement Guidelines and paragraph 1.24 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.
19. “STI” means sexually transmitted infections.