

CONFORMED COPY

CREDIT NUMBER 4461-IN

Financing Agreement

(National Vector Borne Disease Control and Polio Eradication Support Project)

between

INDIA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated February 13, 2009

CREDIT NUMBER 4461-IN

FINANCING AGREEMENT

AGREEMENT dated February 13, 2009, between INDIA, acting by its President (“Recipient”) and INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”) for the purpose of supporting the National Vector Borne Disease Control and Polio Eradication Support Project (“Project”). The Recipient and the Association hereby agree as follows:

ARTICLE I – GENERAL CONDITIONS; DEFINITIONS

- 1.01. The General Conditions (as defined in Appendix 1 to this Agreement) constitute an integral part of this Agreement.
- 1.02. Unless the context requires otherwise, the capitalized terms used in the Financing Agreement have the meanings ascribed to them in the Preamble or in the General Conditions or in Appendix 1 to this Agreement.
- 1.03. Each reference in the General Conditions to the Project Implementing Entity shall be deemed to be a reference to each of the Project Executing Agencies.

ARTICLE II – FINANCING

- 2.01. The Association agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a credit in an amount equivalent to three hundred and nineteen million nine hundred thousand Special Drawing Rights (SDR 319,900,000) (variously, “Credit” and “Financing”) to assist in financing the project described in Schedule 1 to this Agreement (“Project”).
- 2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section IV of Schedule 2 to this Agreement.
- 2.03. The Maximum Commitment Charge Rate payable by the Recipient on the Unwithdrawn Financing Balance shall be one-half of one percent (1/2 of 1%) per annum.
- 2.04. The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.
- 2.05. The Payment Dates are January 15 and July 15 in each year.
- 2.06. The principal amount of the Credit shall be repaid in accordance with repayment schedule set forth in Schedule 3 to this Agreement.

- 2.07. The Payment Currency is Dollars.

ARTICLE III – PROJECT

- 3.01. The Recipient declares its commitment to the objectives and implementation of the Project and the Program. To this end, the Recipient, through MOHFW and the Project Executing Agencies, shall carry out the Project, all in accordance with the provisions of Article IV of the General Conditions.
- 3.02. Without limitation upon the provisions of Section 3.01 of this Agreement, and except as the Recipient and the Association shall otherwise agree, the Recipient, through MOHFW and the Project Executing Agencies, shall ensure that the Project is carried out in accordance with the provisions of Schedule 2 to this Agreement.

ARTICLE IV – REMEDIES OF THE ASSOCIATION

- 4.01. The Additional Events of Suspension consist of the following:
- (a) A situation has arisen which makes it improbable that the Program, or a significant part thereof, can be carried out.
 - (b) The PIP has been amended, waived or abrogated so as to affect materially and adversely the implementation, or the achievement of the objectives, of the Project.
 - (c) Any provision of any Letter of Undertaking has been amended, waived or abrogated so as to materially and adversely affect the implementation, or the achievement of the objectives of the Project.
 - (d) Any Project State or its respective State Implementation Society (SIS) has failed to perform any of its obligations under its respective Letter of Undertaking.
 - (e) The Association has determined that a fraudulent or corrupt activity has occurred in the carrying out of the Project.
 - (f) As a result of events which have occurred after the date of this Agreement, an extraordinary situation has arisen which makes it improbable that any Project State or its respective State Implementing Society will be able to perform its obligations under its respective Letter of Undertaking.

4.02. The Additional Events of Acceleration consist of the following:

Any event specified in paragraphs (a) through (f) of Section 4.01 of this Agreement occurs and is continuing for a period of sixty (60) days after notice of the event has been given by the Association to the Recipient.

ARTICLE V – EFFECTIVENESS

5.01. The Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.

ARTICLE VI – REPRESENTATIVE; ADDRESSES

6.01. The Recipient's Representative is any Secretary, Additional Secretary, Joint Secretary, Director, Deputy Secretary or Under Secretary of the Department of Economic Affairs in the Ministry of Finance of the Recipient.

6.02. The Recipient's Address is:

Secretary to the Government of India
Department of Economic Affairs
Ministry of Finance, North Block
New Delhi – 110024, India

Cable:	Telex:	Facsimile:
ECOFAIRS New Delhi	953-31-66175 FINE IN	91-11-3092477

6.03. The Association's Address is:

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

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

AGREED at New Delhi, India, as of the day and year first above written.

INDIA

By /s/ Dr. Alok Sheel
Authorized Representative

INTERNATIONAL DEVELOPMENT ASSOCIATION

By /s/ Rachid Benmessaoud
Authorized Representative

SCHEDULE 1

Project Description

The objective of the Project is to enhance the effectiveness of Recipient's efforts to control malaria, eliminate kala azar and eradicate polio, by: (a) increasing the number of people benefiting from effective prevention, diagnosis and treatment services for malaria and kala azar; (b) strengthening central and state capacities for evidence-based policy development, strategic planning, and program management for effective control of vector-borne diseases; and (c) securing the timely supply of polio vaccines.

The Project consists of the following parts:

Part A: National Vector Borne Disease Control

1. *Improving Access to and Use of Malaria Prevention and Control Services.* Improving access to and use of malaria prevention and control services through, *inter-alia*, the provision of the following: (a) improved malaria case management by supporting rapid scale up of evidence based diagnosis and treatment polices; (b) strengthened malaria surveillance by supporting effective passive surveillance; and (c) effective malaria vector control mainly through rapid scaling-up of Long Lasting Insecticidal Nets (LLINs) and promoting integrated vector management.
2. *Supporting Elimination of Kala Azar.* Supporting elimination of kala azar through, *inter-alia*, the provision of the following: (a) improved kala azar case management by supporting effective diagnostic and treatment services and ensuring treatment compliance; (b) strengthened kala azar surveillance by using sentinel sites complemented by active case search in locations where clustering of cases is noted; and (c) effective kala azar vector control through piloting integrated vector management and supporting community mobilization.
3. *Policy and Strategy Development, Capacity Building and Monitoring and Evaluation (M&E).* Developing evidence based public health policies and strategies, and strengthening program management capacity and M&E, through, *inter-alia*, the provision of the following:
 - (a) Policy and Strategy Development, through: (i) updating policies for prevention, diagnosis and treatment of vector-borne diseases based on evidence and the translation of these policies to operational guidelines, training materials and courses; (ii) improving quality assurance of, *inter-alia*, rapid diagnostic kits (RDKs) and microscopy; (iii) operations research including technology assessment of, *inter-alia*, different pumps for indoor residual spraying (IRS), RDKs for vivax malaria, and different

delivery models in the private and public sectors; (iv) impact evaluation for malaria control; (v) periodic external reviews of the program; (vi) monitoring of drug resistance and insecticide effectiveness; (vii) assessment of quality of medicines; and (viii) the promotion and establishment of public-private partnerships (PPPs) for the distribution of state and district levels long-lasting insecticidal nets.

- (b) Program Management and Capacity Building, through: (i) provision of additional state and district level staff for procurement, financial management, BCC, and M&E; (ii) deployment of additional entomologists at State levels; (iii) management training for state and district program teams; (iv) integrated vector management training for supervisors and State entomologists; and (v) training and exchange programs for national and state vector-borne disease control program managers.
- (c) Monitoring and Evaluation, through: (i) making the existing computerized management information system (MIS) functional, and monitoring and evaluation-related surveys and studies; and (ii) the strengthening of a geographic information system (GIS) for micro-stratification, planning, monitoring and advocacy.

Part B: Polio Eradication Support

Procurement of oral polio vaccines required for coverage of eligible children under supplemental national and sub-national polio immunization rounds.

SCHEDULE 2

Project Execution

Section I. Institutional and Other Arrangements

A. Institutional Arrangements

For purposes of Part A of the Project, the Recipient, through MOHFW and throughout the period of Project implementation, shall:

- (a) maintain the Directorate NVBDCP, in form and with functions, staffing and resources satisfactory to the Association;
- (b) establish within six (6) months of the Effective Date, or by such later date as agreed by the Association, and thereafter maintain for the duration of the Project, a Project Management Group, a Project Steering Committee and a State Project Coordination Committee, in form and with functions, staffing and resources satisfactory to the Association for project management and partner coordination at national and state levels;
- (c) establish within three (3) months of the Effective Date, or by such later date as agreed by the Association, and thereafter maintain for the duration of the Project a financial management cell within the Directorate NVBDCP with at least two (2) finance professionals with qualifications and responsibilities for the Project satisfactory to the Association;
- (d) establish within three (3) months of the Effective Date, or by such later date as agreed by the Association, a procurement cell within the Directorate NVBDCP with at least two (2) procurement professionals with qualifications and responsibilities for the Project satisfactory to the Association;
- (e) provide an annual update on progress made in the implementation of Part A.3(a)(i) of the Project by February 1 of each year;
- (f) ensure timely availability of Project inputs to the Project districts as per the PIP;
- (g) not later than six (6) months after the Effective Date, finalize the design of evaluation studies, begin the initial round of evaluation studies by August 1, 2009, and, using improved practices developed as a result of such studies, finalize the design for scaling up such practices by April 1, 2011, in each case in a manner satisfactory to the Association;

- (h) undertake household surveys by NIMR and RMRI to establish a baseline for the Project within six (6) months of the Effective Date, or by such later date as agreed by the Association, followed by two (2) rounds of seasonally-comparable household surveys by NIMR and RMRI to be undertaken in 2009 and 2012, respectively, to obtain population based data on the Project outcome indicators; and
- (i) appoint within three months of the Effective Date, or by such later date as agreed by the Association, a consultant to carry out a review of implementation and fiduciary aspects of selected decentralized activities in the Project States and their districts, as per terms of reference satisfactory to the Association and share the report of such review with the Association on a quarterly basis.

B. Manuals and Plans

Throughout the period of Project implementation, the Recipient, through MOHFW, shall:

- (a) carry out, and cause each Project Executing Agency to carry out, the Project in accordance with the provisions of the PIP, EMP, GAAP, VCP and this Agreement; and
- (b) except as the Association shall otherwise agree, not waive, amend or abrogate the PIP, EMP, GAAP and VCP.

C. Letter of Undertaking and Grants to Project States

1. The Recipient, through MOHFW, shall cause each state intending to participate as a Project State, and its respective SIS, to: (a) execute and furnish to MOHFW a Letter of Undertaking (LOU) in form and substance satisfactory to the Association; and (b) carry out their respective activities under the Project in accordance with their respective LOU and the provisions of this Agreement.
2. The Recipient, through MOHFW, shall make available for the benefit of each Project State and its respective SIS a portion of the proceeds of the Financing, and this portion of the proceeds of the Financing shall be used solely to finance Project contractual staff, mobility and training costs, and for no other expenditure(s) or purposes under the Project, except as the Association shall otherwise agree.
3. The Recipient, through MOHFW, shall:

- (a) review and approve the State Annual Work Plans furnished by each Project State together with its respective SIS in accordance with the time schedule and framework set out in the PIP;
- (b) allocate funds under the Project to each Project State on the basis of an approved State Annual Work Plan;
- (c) release funds so allocated pursuant to sub-paragraph (b) above to the respective SIS of each Project State;
- (d) review the implementation of the approved State Annual Work Plans in accordance with the provisions of the PIP; and
- (e) furnish such information on the progress of the Project and the State Annual Work Plans as may be reasonably requested by the Association from time to time.

D. Document Management and Record Keeping

- 1. For purposes of Part A of the Project, the Recipient, through MOHFW, shall furnish details of contracts procured under the Project to the Association on a quarterly basis in form and substance satisfactory to the Association. Such details shall be furnished to the Association not later than forty-five (45) days after the end of each quarter in a Fiscal Year.
- 2. For purposes of Part A of the Project, the Recipient, through MOHFW, shall cause each Project State and its respective SIS to maintain a complete database of contracts procured under the Project in a manner satisfactory to the Association.

E. Anti-Corruption

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

Section II. Project Monitoring, Reporting, Evaluation, Reviews and Mid-Term Review

A. Project Reports

- 1. The Recipient, through MOHFW, shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 4.08(b) of the General Conditions and on the basis of the indicators agreed with the Association. Each Project Report shall cover the period of

one (1) quarter, and shall be furnished to the Association not later than forty-five (45) days after the end of the period covered by such report.

2. Without prejudice to the provisions of the General Conditions, the Recipient, through MOHFW, shall review with the Association in or around February and August of each year of Project implementation, progress made in carrying out of the Project and the attainment of the objectives thereof, such reviews to be based on the Project Reports referred to in paragraph 1 above; and thereafter take, or cause to be taken, all such action as reasonably requested by the Association during such reviews as necessary for the efficient execution of the Project and the achievement of the objectives thereof.
3. The review to be held in or around February 2010 shall constitute the Early Implementation Review of the progress made in carrying out the Project. Such Early Implementation Review shall be carried out in accordance with terms of reference satisfactory to the Association and shall include a review of the staffing norms, composition and technical assistance requirements, as well as the scope, of the Project.
4. For purposes of Section 4.08(c) of the General Conditions, the report on the execution of the Project and related plan required pursuant to that Section shall be furnished to the Association not later than June 30, 2014.
5. Without prejudice to the provisions of paragraphs A.1 and A.2 of this Section II, the Recipient, through MOHFW and in a manner satisfactory to the Association, shall: (a) maintain a strategic information management system for the purpose of, *inter-alia*, producing reports related to implementation of the Project on a periodic basis; and (b) quarterly monitor and evaluate the progress of the Project at the national and state level.

B. Financial Management, Financial Reports and Audits

1. For purposes of Part A of the Project, the Recipient shall maintain, and through MOHFW, shall cause each Project State and its respective SIS to maintain, a financial management system in accordance with the provisions of Section 4.09 of the General Conditions.
2. For purposes of Part A of the Project, the Recipient, through MOHFW, shall prepare and furnish to the Association as part of the Project Report not later than forty-five (45) days after the end of each quarter of each Fiscal Year, interim un-audited financial reports for the Project covering the three-month period, in form and substance satisfactory to the Association.
3. For purposes of Part A of the Project, the Recipient shall have its Financial Statements and the records and accounts for the designated account(s) referred to

in Section 2.04 of the General Conditions for each Fiscal Year audited in accordance with the provisions of Section 4.09(b) of the General Conditions. The audited Financial Statements for each such period shall be furnished to the Association not later than six (6) months after the end of such period.

4. For purposes of Part A of the Project, the Recipient, through MOHFW, shall:
 - (a) have the Project financial statements for each Fiscal Year audited by independent auditors acceptable to the Association, in accordance with consistently applied auditing standards acceptable to the Association and furnish to the Association such audited financial statements not later than six (6) months after each Fiscal Year; and
 - (b) upon request, furnish to the Association, the audited State and SIS Financial Statements and such other information concerning the audited State and SIS Financial Statements, as the Association may from time to time reasonably request.
5. For purposes of Part B of the Project, the Recipient shall prepare and furnish to the Association, not later than sixty (60) days after the end of each quarter, stock reports for the Project covering stocks received and delivered, in form and substance acceptable to the Association.

C. Procurement Audit

For purposes of Part A of the Project, the Recipient, through MOHFW, shall appoint within six (6) months of the Effective Date, or by such later date as agreed by the Association, an independent agency acceptable to the Association to carry out yearly post reviews of the contracts awarded by the Project Executing Agencies and funded out of the proceeds of the Financing with terms of reference acceptable to the Association.

Section III. Procurement

A. General

1. **Pharmaceuticals, Medical Supplies, Other Goods, and Services (other than Consultants' Services).** All pharmaceuticals, medical supplies, other goods, and services (other than consultants' services) required for the Project and to be financed out of the proceeds of the Financing 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 Schedule.
2. **Consultants' Services.** All consultants' services required for the Project and to be financed out of the proceeds of the Financing 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 Schedule.

3. **Definitions.** The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the Association of particular contracts, refer to the corresponding method described in the Procurement Guidelines, or Consultant Guidelines, or the Procurement Manual, as the case may be.
4. (a) Except as the Association shall otherwise agree, all International Competitive Bidding (ICB) and National Competitive Bidding (NCB) contracts for amounts exceeding \$100,000 per contract for procurement of pharmaceuticals, medical supplies and other goods shall be procured by a qualified procurement agent(s) engaged by the Recipient in accordance with the Consultant Guidelines, and/or by a UN Agency engaged by the Recipient by negotiation with such Agency. All contracts below the \$100,000 threshold shall be procured by MOHFW.
- (b) Except as the Association shall otherwise agree, the procurement of services up to contract award recommendation(s) shall be undertaken with the assistance of a qualified agency engaged by the Recipient and acceptable to the Association.

B. Particular Methods of Procurement of Pharmaceuticals, Medical Supplies, Other Goods and Services (other than Consultants' Services)

1. **International Competitive Bidding.** Except as otherwise provided in paragraph 2 below, each contract for pharmaceuticals, medical supplies, other goods and services (other than consultants' services) shall be procured under contracts awarded on the basis of International Competitive Bidding, subject to the following additional procedure:
 - (a) Standard bidding documents and procedures approved by the Association shall be used.
2. **Other Methods of Procurement of Pharmaceuticals, Medical Supplies, Other Goods and Services (other than Consultants' Services).** The following table specifies the methods of procurement, other than International Competitive Bidding, which may be used under the Project. The Procurement Plan shall specify the circumstances under which such methods may be used:

Procurement Method	
(a)	Limited International Bidding
(b)	National Competitive Bidding, subject to the additional provisions agreed upon between the Recipient and the Association

(c) Shopping
(d) Direct Contracting
(e) Procurement from UN Agencies

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, subject to the following additional procedure:
 - (a) Standard Request for Proposal documents and procedures approved by the Association shall be used.
2. **Other Methods of Procurement of Consultants' Services.** The following table specifies 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.

Procurement Method
(a) Least-Cost Selection
(b) Single Source Selection
(c) Selection under fixed budget
(d) Selection based on Consultants' Qualifications
(e) Selection of Particular Types of Consultants: "Service Delivery Contractors" as per the Guidelines
(f) Selection of Individual Consultants as per the Guidelines including sole-source selection of individuals
(g) Selection of UN Agencies as Consultants
(h) Use of Nongovernmental Organizations

D. Review by the Association of Procurement Decisions

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

Section IV. Withdrawal of the Proceeds of the Financing

A. General

1. The Recipient may withdraw the proceeds of the Financing in accordance with the provisions of Article II of the General Conditions, this Section, and such additional instructions as the Association may specify by notice to the Recipient

(including the “World Bank Disbursement Guidelines for Projects” dated May 2006, as revised from time to time by the Association 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 Financing (“Category”), the allocations of the amounts of the Financing to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

Category	Amount of the Financing Allocated (expressed in SDR)	Percentage of Expenditures to be Financed
(1) Expenditures incurred on Pharmaceuticals and medical supplies under Part A of the Project	35,500,000	100%
(2) Expenditures incurred under Part A of the Project on account of:		100%
(a) long lasting bed nets; and	34,500,000	
(b) Other Goods, services and Operating Costs	38,400,000	
(3) Grants to Eligible Project States and Eligible Project Districts to finance Project contractual staff, associated mobility costs and training under Part A of the Project	22,700,000	100%
(4) Oral polio vaccines under Part B of the Project	166,400,000	100%
(5) Refund of Project Preparation Advance	620,000	Amount payable pursuant to Section 2.07 of the General Conditions
(6) Unallocated	21,780,000	
TOTAL AMOUNT	319,900,000	

3. For the purpose of this Section IV, the following terms have the following meanings:
 - (a) the term “Eligible Project State” means a Project State that, together with its respective SIS, has executed and furnished a Letter of Undertaking, satisfactory to the Association, with the Recipient;
 - (b) the term “Eligible Project District” means a district, within an Eligible Project State, and that district has been certified by the MOHFW as ready to undertake Project activities, according to Project readiness criteria in the PIP that are acceptable to the Association;
 - (c) the term “Other Goods” includes vehicles, furniture, computer hardware and software, insecticides and insecticide treated bed nets; and
 - (d) the term “Operating Costs” means reasonable and necessary expenditures incurred for purposes of implementing the Project, including costs of operation and maintenance of offices and vehicles, payments to contract staff, salaries of incremental non civil servant staff, and travel allowances including vehicle hiring for Project staff incurred with respect to Project implementation, coordination, and monitoring.

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 SDR 6,200,000 equivalent may be made for payments under Part A of the Project made prior to this date but on or after September 1, 2007, for Project expenditures incurred by MOHFW;
 - (b) in respect of expenditures for pharmaceuticals and medical supplies under Category (1) other than those procured by a qualified procurement agent(s) engaged by the Recipient in accordance with the Consultant Guidelines, and/or by any other UN Agency engaged by the Recipient by negotiation with such Agency, unless the Recipient has established other procurement arrangements satisfactory to the Association; or
 - (c) in respect of expenditures under Category (4), unless the UNICEF Agreement has been duly executed.

2. Notwithstanding the provisions of paragraph B.1 above, and except as the Association may otherwise agree, withdrawals in respect of Project Expenditures shall be made on an annual basis in accordance with the following:
 - (a) the Recipient may request withdrawals from the Credit Account to be made on the basis of reports submitted to the Association, in form and substance satisfactory to the Association;
 - (b) any amounts disbursed by the Association to the Recipient for a Fiscal Year in accordance with the above provisions shall be adjusted for actual levels of Project expenditures confirmed by the audit reports to be submitted by the Recipient pursuant to this Agreement or by other reports or information submitted by the Recipient pursuant to the Association's request, such adjustment to be made from the first disbursement for the following Fiscal Year, provided, however, that the Association may at any time request refunds of amounts not confirmed by such audit reports, other reports or information, and upon such request, the Recipient shall immediately refund such amount. Any such refunds made to the Association shall be credited to the Credit Account for subsequent withdrawal or for cancellation in accordance with the provisions of this Agreement.
3. The Closing Date is December 31, 2013.

Section V. Other Undertakings

1.
 - (a) The Recipient shall enter into an agreement with UNICEF ("UNICEF Agreement") for the timely provision by UNICEF of an adequate supply of quality polio vaccines required for national and sub-national immunization rounds, under terms and conditions acceptable to the Association, including provisions for quarterly reports by UNICEF on the use of funds, stock status, and compliance with financial reporting obligations.
 - (b) The Recipient shall exercise its rights under the UNICEF Agreement in such manner as to protect the interests of the Recipient and the Association, and to accomplish the purposes of the Credit. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive the UNICEF Agreement or any of its provisions.
2. The Recipient undertakes that the proceeds of the Financing shall not be used to finance expenditures for pharmaceuticals, medical supplies, other goods, services (other than consultants' services) or consultants' services supplied under a contract which any national or international financing institution or agency other than the Bank or the Association shall have financed or agreed to finance, or

which the Association or the Bank shall have financed or agreed to finance under another credit or loan. If the Association determines at any time that an amount of the Credit was used to make a payment for an expenditure so excluded, the Recipient shall, promptly upon notice from the Association, refund an amount equal to the amount of said payment to the Association. Amounts refunded to the Association upon such request shall be cancelled from the Credit Account.

SCHEDULE 3

Repayment Schedule

Date Payment Due	Principal Amount of the Credit repayable (expressed as a percentage)*
On each January 15 and July 15:	
Commencing January 15, 2019, to and including July 15, 2028	1.25%
commencing January 15, 2029, to and including July 15, 2043	2.5%

* The percentages represent the percentage of the principal amount of the Credit to be repaid, except as the Association may otherwise specify pursuant to Section 3.03(b) of the General Conditions.

APPENDIX

Section I. Definitions

1. “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.
2. “BCC” means Behavior Change Communication strategies to manage behavior change processes.
3. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
4. “Consultant Guidelines” means the “Guidelines: Selection and Employment of Consultants by World Bank Recipients” published by the Bank in May 2004 and revised in October, 2006.
5. “Directorate NVBDCP” means the Recipient’s Directorate of the National Vector Borne Disease Control Program, located within the MOHFW and responsible for the overall implementation of the Project.
6. “District” means an administrative unit within a state of the Recipient, including any successors thereto.
7. “Early Implementation Review” means the review referred to in paragraph A.3 of Section II of Schedule 2 to this Agreement.
8. “EMP” means the MOHFW’s Environmental Management Plan, dated November 8, 2007, that consists of a set of mitigation, monitoring, and institutional measures to be taken during implementation and operation of the Project to eliminate adverse environmental and social impacts, offset them, or reduce them to acceptable levels.
9. “Fiscal Year” or “FY” means the fiscal year of the Recipient, which commences on April 1 of a calendar year and ends on March 31 of the following calendar year.
10. “General Conditions” means the “International Development Association General Conditions for Credits and Grants”, dated July 1, 2005 (as amended through October 15, 2006).
11. “GAAP” means the Recipient’s Governance and Accountability Action Plan, dated June 13, 2008, as such Plan may be amended from time to time with the prior approval of the Association.

12. “LOU” and “Letter of Undertaking” mean the letter of undertaking to be executed and furnished by each Project State and its respective SIS (as this term is hereinafter defined) to the MOHFW pursuant to paragraphs C.1 through C.3 of Section I of Schedule 2 to this Agreement confirming, *inter-alia*, its participation in implementing the Project in accordance with the provisions of this Agreement.
13. “MOHFW” means the Recipient’s Ministry of Health and Family Welfare and any successor thereto.
14. “NIMR” means the Recipient’s National Institute of Malaria Research.
15. “NVBDCP” or “Program” means MOHFW’s National Vector Borne Disease Control Program (2005-2010).
16. “NRHM” means the Recipient’s National Rural Health Mission (2005-12) which provides for, *inter-alia*, the overall framework for Recipient’s health sector programs including NVBDCP and seeks to provide effective healthcare to the rural population throughout India with special focus on 18 states, which have weak public health indicators and/or weak infrastructure.
17. “Procurement Audit” means the audit to be carried out by the Recipient pursuant to paragraph C of Section II of Schedule 2 to this Agreement.
18. “Procurement Guidelines” means the “Guidelines: Procurement under IBRD Loans and IDA Credits” published by the Bank in May 2004 and revised in October, 2006.
19. “Procurement Manual” means the manual which sets forth, *inter-alia*, methods and procedures for the decentralized procurement of pharmaceuticals, medical supplies, other goods, services (other than consultants’ services) and consultants’ services under the Program, as said manual may be amended from time to time with the prior approval of the Association.
20. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated June 13, 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.
21. “Program” means MOHFW’s National Vector Borne Disease Control Program (2005-2010).
22. “Project Preparation Advance” means the advance referred to in Section 2.07 of the General Conditions, granted by the Association to the Recipient pursuant to the letter agreement (Q5040-IN) signed on behalf of the Association/Bank on December 14, 2005, and on behalf of the Recipient on February 20, 2006.

23. “PIP” means the Recipient’s Project Implementation Plan dated June, 2008 prepared by MOHFW and acceptable to the Association, which sets forth, *inter-alia*, the planning and procedures for implementing the Project, including the readiness criteria for SISs at the district level, as such PIP may be amended from time to time with the prior approval of the Association.
24. “Project Executing Agencies” means any entity responsible for the implementation of the Project, as set out in the PIP and includes MOHFW, Project States, and State Implementing Societies (as these terms are hereinafter defined).
25. “Project States” means any State or Union Territory of the Recipient, including any successor or successors thereto, which participates in the Project.
26. “RMRI” means the Recipient’s Rajendra Memorial Research Institute.
27. “State Annual Work Plan” means the plan prepared by each Project State together with its respective SIS in accordance with the provisions of its respective Letter of Undertaking, which plan provides details of activities under the Project to be carried out by such State in a Fiscal Year.
28. “State Implementing Society” or “SIS” means the State Health Society in each Project State incorporated under the Recipient’s Societies Registration Act 1860 (21 of 1860) which, pursuant to the terms of its LOU with MOHFW and the PIP, is responsible for the implementation of the Project at the state and district levels.
29. “State and SIS Financial Statements” mean the financial statements prepared by each Project State and its respective SIS.
30. “UNICEF” means the United Nations’ Children’s Fund.
31. “UNICEF Agreement” means the agreement referred to in paragraph 1 of Section V of Schedule 2 to this Agreement.
32. “VCP” means the MOHFW’s Vulnerable Communities Action Plan dated June 6, 2008, to be carried out at district and state levels to ensure that adequate attention is paid to vulnerable communities, including tribal people, in local activity planning to achieve the Project objectives, as such plan may be amended from time to time with the prior approval of the Association.